AB „Agrowill Group“
Company code 1262 64360, VAT number LT100001193419
Address Smolensko g. 10, Vilnius

Repeat general shareholders meeting, 14 th May, 2015, 9.00 a.m.

GENERAL VOTING BALLOT

Shareholder: ______________________________________, code __________________________
(Name, surname, personal code / company name, code)

Number of shares: ______________________

Draft resolutions of the general meeting of shareholders.	*Shareholder's vote*	
	For	*Against*
1. Consolidated annual report of the Company for the year 2014 and report of the Auditor.	*Taken for the information.*	
2. Approval of consolidated annual financial statements of the Company for the year 2014. To approve consolidated annual financial statements for the year 2014.		
3. Approval of the profit (loss) appropriation of the Company for the year 2014. To leave inappropriated the result of the Company for the year 2014 as indicated in the consolidated Financial Statements of the Company for the year 2014.		
4. Amendments to the Articles of Association of the Company and approval of the new wording of Articles of Association. To convert the authorised capital of the Company in accordance with the Law of the Republic of Lithuania on Adoption of the Euro in the Republic of Lithuania, based on the official exchange rate of litas and euro (with 1 euro corresponding to 3,45280 litas); the value of the authorised capital of the Company shall henceforth be EUR 54 350 713, 08 (fifty four million three hundred fifty thousand seven hundred thirteen euros 8 euro cents), with the face value per share of EUR 0,29 (twenty nine euro cents). Recalculate all monetary values indicated in the Articles of Association of the Company into euros.		

Taking into consideration the adopted decisions, to amend the Articles of Association of the Company and approve the new wording of the Articles of Association.		
5. Approval of the Company restructuring plan completion Act. To approve restructuring plan completion Act of the Company.		
6. Regarding of power of attorney. To authorize Company shaholder Vladas Bagavičius to sign restructuring plan completion Act of the Company. To authorise (with the power to delegate) the General Manager of the Company to sign the new wording of Articles of Association of the Company as well as to sign any and all documents and execute any actions in order to register new Articles of Association of the Company in the Register of Legal Persons.		
7. Revocation of the current member of the Supervisory Council. To revoke the member of the Supervisory Council of the Company Kęstutis Juščius.		
8. Election of the new member of the Supervisory Council. To elect Vladas Lašas as the new member of the Supervisory Council of the Company.		

Shareholder ____________________ ________________________________

(Signature) (Name and Surname)

AGROWILL GROUP AB

Independent Auditor's Report,
Consolidated Annual Report and
Consolidated and Separate
Financial Statements for the Year Ended
31 December 2014

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KPMG Baltics, UAB
Upės St. 21
LT-08128, Vilnius
Lithuania

Phone: +370 5 210 2600
Fax: +370 5 210 2659
E-mail: vilnius@kpmg.lt
Website: kpmg.com/lt

Independent Auditor's Report

To the Shareholders of Agrowill Group AB

Report on the Financial Statements

We have audited the accompanying separate financial statements of Agrowill Group AB (hereinafter "the Company"), which comprise the separate statement of financial position as at 31 December 2014, the separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information, set out on pages 23 to 74.

We have also audited the accompanying consolidated financial statements of Agrowill Group AB and its subsidiaries (hereinafter "the Group"), which comprise the consolidated statement of financial position as at 31 December 2014, the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes, set out on pages 23 to 74.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of these financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's and the Group's preparation and fair presentation of these financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's and the Group's management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the separate financial statements and on the consolidated financial statements.

Opinion on the Separate Financial Statements

In our opinion, the separate financial statements give a true and fair view of the financial position of Agrowill Group AB as at 31 December 2014 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Opinion on the Consolidated Financial Statements

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Agrowill Group AB and its subsidiaries as at 31 December 2014 and of the consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Company code: 111494971
VAT code: LT114949716

Emphasis of Matter on the Separate Financial Statements

Without qualifying our opinion on the separate financial statements, we draw attention to Note 16 explaining that during 2014 Agrowill Group AB increased its share capital by issuing 102,595 thousand new ordinary shares. 14,151 thousand new shares with a nominal value of LTL 1 per share were issued in exchange for 100% shares in eTime invest UAB, a company incorporated in Lithuania. As provided in Note 26, the non-monetary contribution in kind of these shares was valued, as required by Lithuanian law, by an independent valuer, at an amount of LTL 16,700 thousand on 28 February 2014. This amount has been reflected by the management in the financial statements as LTL 14,151 thousand increase in share capital, LTL 2,548 thousand share premium and LTL 16,700 thousand investment in subsidiary, accordingly. The Law on Companies of the Republic of Lithuania requires that the nominal value of issued and subscribed shares cannot exceed the value of the non-monetary contribution. As described in Note 31 to these financial statements, in December 2014, the Property Valuation Oversight Agency of Lithuania issued a conclusion that the valuation report issued by the independent valuer did not comply with the requirements of Lithuanian legislation. The valuer did not agree with this conclusion and at the date of the auditor's report there is an ongoing disagreement regarding the validity of the valuation report. Should the new valuation be performed and different valuation amount be determined, adjustments may be required to these financial statements. The ultimate outcome of the matter has not yet been determined and, accordingly, no adjustments have been made to these financial statements.

Emphasis of Matter on the Consolidated Financial Statements

Without qualifying our opinion on the consolidated financial statements, we draw attention to Note 1 to the financial statements, which describes that during 2014 the Agrowill Group AB group of companies were acquired by Baltic Champs Group UAB in a reverse acquisition transaction. Due to this reverse acquisition transaction, the consolidated figures for the current reporting year represent the financial information of Baltic Champs UAB (accounting acquirer) and its subsidiaries, although the legal name continues to be that of Agrowill Group AB, while the comparative figures for 2013 represent the financial information of Baltic Champs UAB (accounting acquirer).

Other Matter

The separate and consolidated financial statements of Agrowill Group AB as at and for the year ended 31 December 2013 were audited by another auditor who expressed unqualified opinions on those financial statements in the auditors' report dated 30 April 2014.

Report on Other Legal and Regulatory Requirements

Furthermore, we have read the consolidated annual report of Agrowill Group AB for the year ended 31 December 2014, set out on pages 5 to 22 of the financial statements, and have not identified any material inconsistencies between the financial information included in the consolidated annual report and the consolidated financial statements of Agrowill Group AB for the year ended 31 December 2014.

On behalf of KPMG Baltics, UAB

Domantas Dabulis
Partner pp
Certified Auditor

Gintarė Vilimaitė-Kučinskienė
Certified Auditor

Vilnius, the Republic of Lithuania
6 May 2015

AGROWILL GROUP AB AND THE SUBSIDIARIES CONSOLIDATED ANNUAL REPORT FOR THE YEAR 2014

1. Accounting period covered by the Report

Consolidated annual report was prepared for the year ended 31 December 2014.

2. Key data on the Group

Name of the company:	Agrowill Group AB (hereinafter – "Company")
Share capital:	LTL 187,416,252
Address of headquarters:	Smolensko St. 10, LT-03201 Vilnius, Lithuania
Telephone:	(8~5) 233 53 40
Fax:	(8~5) 233 53 45
E-mail address:	info@agrowill.lt
Website:	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 31 December 2014 the Group was comprised of the Company and its subsidiaries:

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and e-mail
UAB Baltic Champs	Joint stock company	27-12-2012, State Registrar	302942064	Poviliškės, Šiauliai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB AVG Investment	Joint stock company	10-02-2005, State Registrar	300087691	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB AWG Investment 1	Joint stock company	18-06-2008, State Registrar	301745765	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB AWG Investment 2	Joint stock company	24-07-2008, State Register	301807590	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agross	Joint stock company	24-07-2008, State Register	301807601	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
BUAB Abagrain	Joint stock company	26-04-2007, State Register	300713565	Adutiškio st. 3-3, Vilnius	(8~5) 203 26 86; fax: (8~5) 203 26 87, e-mail: info@abagrain.lt
UAB Grain Lt	Joint stock company	17-03-2010, State Register	302489354	Adutiškio st. 3-3, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB AMT Žemė	Joint stock company	15-03-2011, State Register	302602713	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agro GIS	Joint stock company	18-01-2011, State Register	302583978	Saltoniškių st. 29/3, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Baltic farming land management	Joint stock company	13-10-2008, State Register	302003546	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agro Management Team	Joint stock company	02-03-2011, State Register	302599498	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrotechnikos centras	Joint stock company	03-02-2011, State Register	302589187	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB PRIMA BIO COOP LT	Joint stock company	29-02-2012, State Registrar	302753875	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Žemės fondas	Agricultural entity	07-04-2006, State Register	300558595	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas	Joint stock company	28-09-2004, State Registrar	300057335	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
UAB Žemės vystymo fondas 3	Joint stock company	11-10-2005, State Registrar	300151165	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 4	Joint stock company	10-08-2006, State Registrar	300589669	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 5	Joint stock company	10-08-2006, State Registrar	300589683	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 6	Joint stock company	10-08-2006, State Registrar	300589719	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 7	Joint stock company	17-01-2007, State Registrar	300634420	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 9	Joint stock company	09-03-2006, State Registrar	300547638	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 10	Joint stock company	10-01-2008, State Registrar	301522723	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 11	Joint stock company	12-05-2005, State Registrar	300114042	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 12	Joint stock company	08-03-2005, State Registrar	300094383	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 14	Joint stock company	10-08-2006, State Registrar	300589726	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 15	Joint stock company	10-08-2006, State Registrar	300589733	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 16	Joint stock company	10-08-2006, State Registrar	300589740	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 19	Joint stock company	21-06-2007, State Registrar	300886948	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 20	Joint stock company	22-06-2007, State Registrar	300887726	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Žemės vystymo fondas 22	Joint stock company	10-01-2008, State Registrar	301522730	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Spindulys	Agricultural entity	09-04-1993, Radviliškis district municipality	171330414	Vaitiekūnai, Grinkiškis mun., LT-82380 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Smilgiai	Agricultural entity	16-09-1992, Panevėžys district municipality	168548972	Panevėžys st. 23, Smilgiai, Smilgiai mun., LT-38375	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Skėmiai	Agricultural entity	01-10-1992, Radviliškis district municipality	171306071	Skėmiai, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Nausodė	Agricultural entity	11-08-1992, Anykščiai district municipality	154179675	Kirmėliai, Troškūnai mun., LT-29178 Anykščiai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Dumšiškės	Agricultural entity	29-09-1992, LR Raseiniai district board	172276179	Paraseinis, Paliepiai mun., LT-60194 Raseiniai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Žadžiūnai	Agricultural entity	30-06-1992, Šiauliai district municipality	175706853	Gudeliai st. 30, Žadžiūnai, Kairiai mun., LT-80103 Šiauliai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Mantviliškis	Agricultural entity	06-11-1992, Kėdainiai district board	161274230	Liepos 6-osios st. 18, Mantviliškis, Dotnuva mun., LT-58332 Kėdainiai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Alanta	Agricultural entity	29-06-1992, Molėtai district municipality	167527719	Ukmergės st. 7, Alanta mun. LT-33312 Molėtai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
ŽŪB Agrowill Eimučiai	Agricultural entity	29-06-1992, Šiauliai district municipality	175705032	Eimučiai, Kairiai mun., 80101 Šiauliai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Vėriškės	Agricultural entity	29-09-1992, Radviliškis district municipality	171305165	Vėriškės, Šeduva mun., LT-77199 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Želsvelė	Agricultural entity	03-07-1992, Marijampolė municipality	165666499	Želsva, Liudvinavas mun. LT-69193 Marijampolė mun.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Lankesa	Agricultural entity	06-04-1999, Jonava district municipality	156913032	Ukmergė st. 44, Bukoniai, Bukoniai mun., LT-55075 Jonava distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Kairėnai	Agricultural entity	02-03-1993, Radviliškis district municipality	171327432	Kairėnai, Grinkiškis mun., LT-82031 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Agrowill Jurbarkai	Agricultural entity	31-07-1992, Jurbarkas district municipality	158174818	Rytas st. 2, Jurbarkai, LT-74205 Jurbarkai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Grūduva	Joing stock company	24-02-1997, Šakiai district municipality	174401546	Gotlybiškiai, Šakiai mun., LT-71372, Marijampolė distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Panevežio region ŽŪB Gustoniai	Agricultural entity	09-12-1992, Panevėžys district municipality	168565021	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
S.R.L. Natur Agro Grup	Closed joint stock company	23-09-2005, Republic of Moldova	1005600045098	Stefan cel Marebd. 132, ap. 64, Chisinau mun., Moldova	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
S.R.L. Agrowill group	Closed joint stock company	01-07-2008, Republic of Moldova	100860003153	Kogalniceanu Mihail, 51, Chisinau mun., Moldova	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ZAO Agroprom	Closed joint stock company	01-09-2008, Russian Federation	1087746061237	Baimanskaja st. 7-10, Moscow, Russia	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Siesartis	Cooperative entity	21-04-2010, Šakiai district municipality	302501098	Mokyklos st. 18, Gotlybiškių mun. Šakių distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Kašėta	Cooperative entity	21-04-2010, Jonavos district municipality	302501251	Ukmergės st. 44, Bukonių mun., LT-55075 Jonavos distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Gustonys	Agricultural entity	08-06-2010, Vilniaus district municipality	302520102	Panerių st. 11, Vilnius LT-03209	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Skėmių pienininkystės centras	Agricultural entity	05-03-2012 Radviliškis district municipality	302737554	Skėmiai, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Agrobokštai ŽŪK	Cooperative entity	02-03-2010, Marijampolė municipality	302485217	Želsva, Liudvinavas mun., LT-69193 Marijampolė mun.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Dotnuvėlės valdos	Cooperative entity	21-04-2011, Šiauliai district municipality	302618614	Gudeliai str. 30, Žadžiūnai, Kairiai mun., LT-80103 Šiauliai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Nevėžio lankos	Cooperative entity	21-04-2011, Radviliškis district municipality	302618596	Vėriškės, Šeduva mun., LT-77199 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Radviliškio kraštas	Cooperative entity	20-04-2011, Radviliškis district municipality	302618742	Alyvų str. 1, Skėmiai, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Šventosios pievos	Cooperative entity	20-04-2011, Radviliškis district municipality	302618201	Vaitiekūnai, Grinkiškis mun., LT-82380 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Kairių ūkis	Cooperative entity	13-04-2011, Marijampolė municipality	302615194	Želsva, Liudvinavas mun., LT-69193 Marijampolė mun.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Šiaurinė valda	Cooperative entity	13-04-2011, Šakiai district municipality	302615187	Gotlybiškiai, Šakiai mun., LT-71372, Marijampolė distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Šušvės žemė	Cooperative entity	21-04-2011, Radviliškis district municipality	302618767	Kairėnai, Grinkiškis mun., LT-82031 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
ŽŪK Agromilk	Cooperative entity	23-04-2009, Radviliškis district municipality	302332698	Kairėnai, Grinkiškis mun., LT-82031 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Žalmargėlis	Cooperative entity	23-09-2013, State Registrar	303145954	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Juodmargėlis	Cooperative entity	03-10-2013, State Registrar	303159014	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 1	Joint stock company	23-08-2012, State Registrar	302846660	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrokreditas	Joint stock company	23-08-2012, State Registrar	302846621	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 3	Joint stock company	23-08-2012, State Registrar	302846614	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 4	Joint stock company	23-08-2012, State Registrar	302846564	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 5	Joint stock company	23-08-2012, State Registrar	302846475	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 6	Joint stock company	23-08-2012, State Registrar	302846411	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 7	Joint stock company	23-08-2012, State Registrar	302846062	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 8	Joint stock company	23-08-2012, State Registrar	302846105	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 9	Joint stock company	23-08-2012, State Registrar	302846144	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 10	Joint stock company	23-08-2012, State Registrar	302846169	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 11	Joint stock company	23-08-2012, State Registrar	302846201	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 12	Joint stock company	23-08-2012, State Registrar	302846226	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 13	Joint stock company	23-08-2012, State Registrar	302846233	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 14	Joint stock company	23-08-2012, State Registrar	302846240	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 15	Joint stock company	23-08-2012, State Registrar	302846258	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 16	Joint stock company	23-08-2012, State Registrar	302846354	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 17	Joint stock company	23-08-2012, State Registrar	302846379	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 18	Joint stock company	23-08-2012, State Registrar	302846436	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 19	Joint stock company	23-08-2012, State Registrar	302846468	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
UAB Agrosaulė 20	Joint stock company	23-08-2012, State Registrar	302846482	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Agrosaulė 21	Joint stock company	23-08-2012, State Registrar	303301257	M. Kriaučiūno st. 15, Gustoniai, Panevėžys distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Biržai distr., Rinkuškiai reclamation infrastructure users association	Association	11-12-2009 Biržai district municipality	302465556	Vytauto st. 38, LT-41143, Biržai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Pasvalys distr., Pušalotas reclamation infrastructure users association	Association	11-12-2009 Pasvalys district municipality	302465563	Diliauskai, LT-39188 Pasvalys distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Traktorių nuomos centras	Joint stock company	16-07-2012, State Registrar	302820808	J. Savickio St. 4, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Traktorių nuomos paslaugos	Joint stock company	16-07-2012, State Registrar	302820797	J. Savickio St. 4, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Arnega	Joint stock company	13-08-2011, State Registrar	302661957	Adutiškio st. 3-3, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Grūduvos melioracija	Association	23-11-2010, State Registrar	302567116	Mokyklos st. 2, Gotlybiškės, Šakiai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB AGRO Ramučiai	Joint stock company	05-09-2012, State Registrar	302854479	Poviliškės, Šiauliai distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB Luganta	Joint stock company	05-09-2012, State Registrar	300045023	Pašlaušė, Kelmė distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB ŽVF projektai	Joint stock company	27-12-2012, State Registrar	300137062	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Želsvelės ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325856	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Smilgių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325824	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Skėmių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325692	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Mantviliškio ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325703	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Spindulio ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325817	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Lankesos ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325710	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Dumšiškių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303324722	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Kairėnų ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325774	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Žadžiūnų ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325870	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Vėriškių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325849	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Nausodės ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325781	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Jurbarkų ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303325361	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
ŽŪB Eimučių ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303324715	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Alantos ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303324747	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
ŽŪB Grūduvos ekologinis ūkis	Agricultural entity	09-06-2014, State Registrar	303324804	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
UAB eTime invest	Joint stock company	09-06-2014, State Registrar	300578676	Saltoniškių st. 29, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
OOO Karakash Agro	Joint stock company	09-09-2010, Ukraine	37171461	Adalet st. 18, Chechova, Razdolnenskiy distr., Krym	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
OOO Karakash	Joint stock company	09-09-2010, Ukraine	32140884	Adalet st. 18, Chechova, Razdolnenskiy distr., Krym	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
AgroSchool OU	Joint stock company	15-07-2013, Estonia	12491954	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Public institution AgroSchool	Public institution	22-07-2013, State Registrar	303104797	Smolensko st. 10, Vilnius	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Havestro OU	Private limited company	11-12-2013, Estonia	12583455	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Tabra Agro OU	Private limited company	30-04-2014, Estonia	12654586	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Springbox OU	Private limited company	06-05-2014, Estonia	12581947	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Newbygg OU	Private limited company	02-05-2014, Estonia	12505188	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Kangruaadu Agro OU	Private limited company	30-04-2014, Estonia	12654876	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Prestviigi OU	Private limited company	30-04-2014, Estonia	12654600	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Astermont OU	Private limited company	06-05-2014, Estonia	12582869	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Kropi Silm OU	Private limited company	24-04-2014, Estonia	12654868	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Lepaoja Agro OU	Private limited company	30-04-2014, Estonia	12654847	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Revalmarine OU	Private limited company	06-05-2014, Estonia	12583596	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Transrail OU	Private limited company	11-12-2013, Estonia	12583707	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
SwedGreen OU	Private limited company	18-03-2014, Estonia	12582987	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
First deal OU	Private limited company	12-07-2013, Estonia	12504154	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Viarock OU	Private limited company	06-05-2014, Estonia	12582993	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
Rame Agro OU	Private limited company	25-04-2014, Estonia	12652162	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Saastna Agro OU	Private limited company	29-04-2014, Estonia	12653575	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Pasilaid OU	Private limited company	29-04-2014, Estonia	12653569	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Lillhamne OU	Private limited company	29-04-2014, Estonia	12653747	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Ogerna OU	Private limited company	28-04-2014, Estonia	12653121	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Teorehe Agro OU	Private limited company	29-04-2014, Estonia	12653764	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Sendri Capital OU	Private limited company	02-05-2014, Estonia	12655539	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Turvaste partners OU	Private limited company	02-05-2014, Estonia	12655410	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Nakamaa Agro OU	Private limited company	02-05-2014, Estonia	12655522	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Hindaste Invest OU	Private limited company	24-04-2014, Estonia	12655384	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Tuudi River OU	Private limited company	02-05-2014, Estonia	12655384	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Palderma Partners OU	Private limited company	02-05-2014, Estonia	12654959	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Liialaid Capital OU	Private limited company	02-05-2014, Estonia	12655203	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Ave-Martna Capital OU	Private limited company	02-05-2014, Estonia	12655155	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Hobring Invest OU	Private limited company	02-05-2014, Estonia	12655427	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Rukkirahhu Capital OU	Private limited company	02-05-2014, Estonia	12655232	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Kaazys Agro OU	Private limited company	02-05-2014, Estonia	12655491	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Pahasoo OU	Private limited company	02-05-2014, Estonia	12655367	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Balistaro OU	Private limited company	30-04-2013, Estonia	12566876	Rannaku st. 12, Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
123 Union OU	Private limited company	31-08-2013, Estonia	12502764	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
NovaCorpus OU	Private limited company	30-04-2013, Estonia	12583136	Rannaku st. 12, Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Bestmax OU	Private limited company	12-11-2013, Estonia	12568869	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
Remidox OU	Private limited company	31-08-2013, Estonia	12504025	Parnu st. 15, Harju distr., Tallinn	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt

Name	Legal form	Date and place of registration	Company code	Address	Phone, fax and email
KB Ganiklis	Cooperative entity	20-10-2014, State Registrar	303429417	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Ganiavos gėrybės	Cooperative entity	20-10-2014, State Registrar	303429431	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Žemėpačio pieno ūkis	Cooperative entity	22-10-2014, State Registrar	303432388	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Žemynos pienelis	Cooperative entity	17-10-2014, State Registrar	303427989	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Lygiadienio ūkis	Cooperative entity	17-10-2014, State Registrar	303428087	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Laumės pieno ūkis	Cooperative entity	17-10-2014, State Registrar	303427996	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Medeinos pienas	Cooperative entity	17-10-2014, State Registrar	303428112	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Gardaitis	Cooperative entity	20-10-2014, State Registrar	303429381	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Dimstipatis	Cooperative entity	20-10-2014, State Registrar	303429424	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Aušlavis	Cooperative entity	20-10-2014, State Registrar	303429456	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Austėjos pieno ūkis	Cooperative entity	17-10-2014, State Registrar	303428094	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Aitvaro ūkis	Cooperative entity	20-10-2014, State Registrar	303429374	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt
KB Giraičio pieno ūkis	Cooperative entity	20-10-2014, State Registrar	303429399	Alyvų st. 1-3, Skėmiai mun., LT-82350 Radviliškis distr.	(8~5) 233 53 40; fax: (8~5) 233 53 45, e-mail: info@agrowill.lt

The private limited subsidiary companies are engaged in buying and renting land, while subsidiary agricultural entities are engaged in agricultural commodities (milk, grain, and rapeseed) production and realisation.

3. Main lines of business of the Group

Operations area:	Agriculture
Main products manufactured:	Cultural mushroom growing and sale, milk production and sale, grain, rapeseed growth and sale, rent of land.
Other activities:	Agricultural real estate, land rent mediation, consulting services.

4. Mission and Vision of the Company

The Group's mission is to strengthen the agricultural sectors in Lithuania and other European countries through innovative decisions, increase the value of investments and to create social wealth in the village community.

The Company's vision is to become the largest profitable company engaged in primary agricultural production in EU Eastern Europe, reaching production indicators in crop and grain production (including the utilization of buildings, machinery and work power) 25% above the EU average.

5. 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.

6. The trading in the Issuer's securities on exchanges and other organized markets

During the reporting period, the Companies shares were traded on the NASDAQ OMX Vilnius Stock Exchange (hereinafter – VSE). Type of shares – ordinary, nominal value of LTL 1 (one).

Reporting period	Price, LTL			Date of last session	Total turnover	
	Max	Min	Last session		Units	LTL, million
I quarter 2014	0.98	0.69	0.93	31.03.2014	5,809,221	5.312
II quarter 2014	1.14	0.91	0.99	30.06.2014	1,433,871	1.403
III quarter 2014	0.99	0.73	0.79	30.09.2014	719,178	0.611
IV quarter 2014	0.85	0.69	0.69	30.12.2014	307,556	0.234

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

All payments related to the payment for bonds emission, redemption of bonds and payment of interest are made in LTL or EUR. The bonds cannot 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.

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

Reporting period	Price, %			Date of last session	Total turnover	
	Max	Min	Last session		Units	LTL, million
I quarter 2014	-	-	-	31.03.2014	-	-
II quarter 2014	-	-	-	30.06.2014	-	-
III quarter 2014	-	-	-	30.09.2014	-	-
IV quarter 2014	-	-	-	30.12.2014	-	-

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 Company's Restructuring Plan is approved, the outstanding bonds will be paid back according to the Restructuring plan: in years 2014 – 2015.

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 2014, the amount owed by the Group to the bondholders amounted to LTL 5,248 thousand.

7. Groups financial and operating results analysis, information on personnel

Main performance indicators

Main financial figures, LTL thousand	Year ended 31 December GROUP 2014	Agrowill Group 2013	Baltic Champs 2013
Revenues	144,845	82,572	32,792
Direct subsidies	12,476	10,540	-
Gross profit	27,033	19,849	7,256
Operating profit	43,705	7,934	5,661
Finance costs	(8,883)	(12,360)	(295)
Net profit	35,577	(4,190)	5,096
EBITDA	24,444	13,731	6,350
EBITDA margin, %	16.88	16.63	19.36
Ratios			
ROA, %	8.43	(1.45)	3.72
ROE, %	18.35	(3.58)	7.49
Liquidity ratio	0.93	0.72	0.88
Quick ratio	0.55	0.51	0.44

In April 2014, Agrowill Group AB group of companies (hereinafter pre-acquisition consolidated entity – AWG) were acquired by Baltic Champs Group UAB. AWG issued 102,596,266 new shares, 88,444,014 of which were acquired by Baltic Champs Group UAB by contributing shares of Baltic Champs UAB (hereinafter – BC), the remaining 14,151,252 shares were acquired by Vretola Holdings Limited by contributing shares of eTime invest UAB. The new Agrowill Group AB group of companies, hereinafter in the consolidated annual report is referred to as the Group.

In the table above the main financial figures of the Group for 2014 are compared to the main financial figures of AWG AB and Baltic Champs UAB for the year ended 31 December 2013. Commercial operations of Baltic Champs UAB began in August 2013, so the figures for 2013 do not represent a full year of operations. Comparing the financial figures of the Group for 2014 to corresponding figures of Agrowill Group AB for 2013, all profitability measures were positively affected by the business combination with Baltic Champs UAB (because of huge negative goodwill write-offs figures). This business combination was also one of the reasons for the improvement of liquidity measures. During the year 2014 four group companies repaid the remaining 85 percent of their restructured liabilities, while 11 companies (including Agrowill Group AB) repaid 15 percent of their restructured amounts, which further improved liquidity measures of the Group.

Revenues

During 2014 the Group generated LTL 144.8 million in agricultural activity revenues (In 2013: LTL 32.8 million generated by Baltic Champs, and LTL 82.6 million generated by Agrowill Group AB). Consolidated revenues from milk and crop sales decreased in 2014 compared to 2013 because revenues received by AWG during the first quarter of 2014 were not consolidated into the Group financial statements for the year.

Operating expenses

The operating expenses totalled LTL 20.0 million in 2014 compared to LTL 19.7 million and LTL 1.6 million for AWG and Baltic Champs UAB, respectively, in 2013. Compared to the operating expenses of AWG for 2013, the Group had greater payroll and social security expenses in 2014, while write-offs of inventory and livestock were significantly lower. Also, due to the expenses related to the business combination with Baltic Champs UAB, expenses for consultations were 80 percent higher for the Group in 2014 than for AWG in 2013.

Write-off of negative goodwill

In April 2014, AWG legally acquired Baltic Champs UAB. During the acquisition, a negative goodwill of LTL 31 million was calculated.

Finance costs

Finance costs decreased to LTL 8.9 million for the Group in 2014 compared to LTL 12.4 million for AWG and LTL 0.3 million for Baltic Champs UAB in 2013. This was primarily because, as the Group started repaying the restructuring obligations according to the restructuring plans during 2013, the DNB bank accrued the interest for the loans held under restructuring, as was approved by the Courts in different restructuring plans. The total amount of interest accrued amounted to LTL 3,693 thousand over the period up to 31 December 2013. Additionally, as AWG expected the Bank loans to be interest bearing as of 1 January 2014, the Group recalculated the extinguishment of debt figures. The resulting change in extinguishment amortization of approximately LTL 1,389 thousand was also booked as interest expense in 2013.

Balance sheet

During 2014 the Group continued to make investments into renewal of its agricultural equipment and machinery, with acquisitions of non-current assets totalling LTL 9.0 million. Also, during 2014 the Group's land management entities sold a portion of agricultural land (classified as investment property) totalling LTL 22.1 million in book value.

The book value of biological assets of the Group as at 31 December 2014 equalled LTL 43.7 million. This included LTL 3.7 million worth of mushroom seedbed owned by Baltic Champs, UAB. The Group also continued to grow its herd of cows and other livestock, but slightly decreased the area of winter crops. As at the date of signing of this Report, no significant uninsured areas effected by winterkill were registered.

During 2014 the Group's companies under restructuring continued the repayment of restructured liabilities and 4 of them finished restructuring.

Personnel

As at 31 December 2014 the number of employees and average monthly salary by education and categories was as follows:

Employee category	Numbers of employees	Average monthly salary
Central office / Company	62	3,041
Agricultural entities management	48	2,311
Agricultural entities workers	994	1,783
Total:	**1,104**	

Education	Central office / Company	Agricultural entities
Higher	60	258
Special professional	2	233
Middle	-	551
Primary	-	-
Total:	**62**	**1,042**

Structure	Employee number as at 31 December 2014	Average monthly salary
Managing personnel	34	4,858
Specialists	118	2,898
Employees	952	1,640
Total:	**1,104**	

8. Objective overview of Entity's status, operations and development, description of key risks and exposures the Company faces

Overview of the Group's business, status and review of expansion

Agrowill Group AB started operations in 2003 and currently is Lithuania's largest group of agricultural development and investment companies applying the centralized business management model. The Group is largest agricultural land owner in Lithuania – subsidiary land buying entities owned around 7.4 thousand ha of land, agricultural entities own around 2.2 thousand ha, and additionally around 18 thousand ha were rented from others.

In April 2014 Agrowill Group AB legally acquired Baltic Champs UAB. Agrowill Group AB issued new shares which were acquired by former shareholders of Baltic Champs UAB. The new shares emission was paid by Baltic Champs UAB shares which at the date of merger were evaluated at LTL 88.5 million.

The Group, after this business combination, concentrates on two main lines of business – cultural mushrooms growing and common agriculture, i.e. milk production and crop growing. During the last decade, the worldwide commodities markets of these two segments developed positively, and only negative trend was experienced when global financial markets crashed in late 2008. However, during 2011, the markets started rebounding (both milk powder and crop commodities), and by the end of the year commodities prices reached pre-crisis levels. In 2012, the prices stabilized and decreased somewhat, however in 2012 and 2013 grain and rapeseed prices continued to ascend and reached historic heights by the end of the year. Milk prices peaked in the beginning of 2014, but started to decrease quite fast in 2014, and by the end of 2014, due to global commodity markets oversupply and Russian embargo on EU agricultural commodities reached 2011 year levels. Cultural mushrooms are a new line of business of the Group after the BC acquired AWG. Mushroom production and consumption has been steadily growing in recent years globally. The growth has been mainly driven by increasing demand for organic products. In Lithuania alone procurement of champignons by quantity for fresh consumption and processing has increased by 9% in 2013 while average price has risen by 1%. In 2014, after the Russian embargo on EU agricultural produce, the price of mushrooms oriented for processing factories in Poland decreased significantly. The prices of fresh mushrooms in local markets (Baltics and Scandinavia) remained stable, however, with a downward trend in the coming season.

The newly formed Group had following revenue distribution per different line of business:

Lines of business	**Year ended 31 December**	
	2014	**2013**
Baltic Champs UAB (operated for 5 months in 2013)		
Cultural mushrooms	60,697	26,299
Compost for mushroom growing	12,905	6,313
Other revenues	405	179
AWG (w/o Baltic Champs UAB) (for 12 months in 2014 and 2013)		
Milk production and cattle	32,128	29,605
Crop growing	44,741	45,120
Other revenues	3,351	7,846

* figures in table above will not match the financial statements for the year ended 31 December 2014 figures, as they are derived for operational purposes, not for financial accounting purposes.

As at 31 December 2014 the Group had 3,290 milking cows in its herd, along with 3,105 heifers grown for replacement of milking cows and 1,536 bulls. The main crop growing cultures grown for sales are wheat and rapeseed – there were around 13.0 thousand ha planted and harvested in 2014 by the Group's agricultural subsidiaries. The remaining area is planted with various feed cultures – corn, barley, perennial grasses. The grown green feed is used for feeding of the animal herds.

In the nearest future the Group plans to expand the production capacities of the two main lines of business, also focusing on making these business lines more efficient. It is planned to increase the milking cow herd to around 3.5 thousand in 2015 with expected increase up until 4.5 thousand in 3 years' time. Another plan is to establish a couple of "programming centers" for growing of heifers in order to specialize different companies and increase efficiency and profitability. In the crops line, the Group intends to shift most of the crop rotation to winter crops, in order to benefit from better harvest and increased profitability of land cultivation business. The Group plans to increase the working area by at least 10 percent over the next 3 years.

Assessment of main types of risks and exposures the Group faces

Current development of International and Lithuanian financial markets

The worldwide liquidity crisis which started in 2008, resulted in decrease of capital markets and banking sector financing capabilities and increases in financing costs of borrowing in certain currencies. The magnitude of the financial crisis and its effect on the world and local economies was huge and up to the date, the global economies struggle to find possible opportunities and terms of recovery. In management opinion, the crisis influenced the Group's operation, as due to decreased financial capabilities at the end of 2008 and, in turn, inability to change the short-term bridge bonds into long-term loans the Group experienced liquidity problems. In 2009, the world markets started recovering, but it is difficult to predict when the world economies will be healthy again, as already in 2013 brought yet new challenges to the markets, as sovereign debts of some EU members might influence the whole Union's members borrowing capabilities. However, the agriculture sector was influenced less than others, which, together with growing commodities prices, resulted in favorable conditions to the industry development.

Borrowed capital accounts for a large share of the Group's total capital

Historically, the main source of AWG's financing (for acquisitions and operational needs) was generated by borrowed funds. At the beginning of 2008, AWG issued a new share capital issue and attracted around LTL 28.3 million of cash. In the same year, AWG issued several bond issues and attracted additional LTL 28 million of cash. All the proceeds were used for expansion of AWG – two major subsidiaries were acquired: Polva Agro OU in Estonia and Grūduva UAB in Lithuania; number of investment projects were started (manure storage pits, cow farm reconstructions, acquisitions of modern agricultural equipment and machinery). After the above-mentioned financial markets collapse took place, AWG had to abandon several investment projects and finished one of the acquisitions from own cash flows, which, in turn, in several months resulted in significant liquidity problems.

The major part of AWG assets are the investment property, owned land, buildings, equipment and cattle herds – non-current assets, payback of which is longer than 1-2 year term, while AWG's current financial liabilities are larger than current receivables. Due to severely limited additional financing opportunities, the shareholders and management of AWG in June 2009 undertook a decision to initiate restructuring process for most of the Group's entities – for Company and 14 agricultural entities. The restructuring process is a mean for companies facing liquidity problems to operate under normal circumstances and to try and earn the funds needed to repay the accumulated amounts due. The decisions to initiate the restructuring processes were approved by more than 50% of creditors in each of these companies in June 2009 and the processes are ongoing (in different phases) since then.

In 2011, the processes were continuing and by the end of the year restructuring plans were approved for all 15 entities under restructuring. According to the plans, the liabilities will be paid out over 4-year term with main portion of payments falling into 4th year. Currently Group's management vision coincides with the main creditors vision regarding the activities, future profitability of the Group and the ability to successfully pass the restructuring process.

In 2014 the Group finished restructuring of 4 agricultural subsidies, while in 2015 the remaining restructuring cases of 10 agricultural entities and Company are planned to be finished.

Weather conditions

Weather conditions are one of the most important risks involved in agricultural activities. Poor or unfavorable meteorological conditions can have substantial impact upon yields by negatively affecting harvests and fodder preparation, destroying crop areas etc. In extreme cases, poor weather limits the ability to harvest the fields at all.

Prices for agricultural products

The Group's income and operating results depend on such factors beyond the Group's control as prices for agricultural commodities. These prices are largely influenced by different and hardly predictable factors beyond the Group's control (weather conditions, state agricultural policy, changes in global demand caused by demographic changes, changes in living conditions, competing products in other countries).

Animal and vegetable diseases

Animals can be infected with different viral infections including foot and mouth disease, bovine spongiform encephalopathy etc. Even though the Group complies with the highest sanitary standards in order to prevent diseases, there is no guarantee that the Group's cattle will not be infected for reasons beyond the control of the Group. Although the majority of Group's cattle are insured, an outbreak of a cattle infection can result in high additional expenses and losses.

State policy and regulation in the agricultural sector and related areas can have a negative effect upon the Group's operations and profitability

Agriculture, agricultural produce and products placement on the market are strongly affected by state policies and EU regulation. Regulation of agricultural activities manifests itself through the regulation of taxes, tariffs, quotas, subsidies, import and export legislation etc. Any change in this area can exert significant influence over the profitability of agricultural activities, determination of the choice of crops, increase or reduce the volumes of production, import and export of agricultural products. In addition, any international trade disputes can affect the trade flows, restricting trade among countries or regions. Future policies in this area can have a negative impact upon prices for the agricultural products offered by the Group and upon the Group's opportunities for operating in the market.

Unstable political situation in the Autonomous Republic of Crimea

Agrowill Group AB consolidates eTime invest UAB, which, through a subsidiary company Karakash Agro OOO operates 10 thousand hectares of agricultural land in Autonomous Republic of Crimea. Currently Autonomous Republic of Crimea is annexed by Russian Federation. This creates negative changes in legal, political and business environment of the region. Such negative change could adversely affect agricultural business of Karakash Agro OOO and subsequently result in losses for the Group.

9. Significant post balance sheet events

Disclosed in the consolidated Agrowill Group AB financial statements for the year ended 31 December 2014.

10. Planned and forecasted activities of the Group

It is planned to increase the milking cow herd to around 3.5 thousand (currently around 3.2 thousand) located over 8 separate locations around Lithuania, and to grow the heifers only in 2-3 locations in order to specialize different companies (there will be some specialized only in milk production, and several which will engage in heifer raising only) and achieve better costs of production, work efficiency and, in turn, financial results. The Group also plans to keep producing own combined feed, which ration will be designed for specific needs of Agrowill Group AB cow herd.

In crop growing sector the Group expects to remain one of the leaders in the country: in autumn 2014, around 10 thousand hectares was planted. It is also planned, that the productivity of crop fields will grow due to modern equipment used for cultivation of fields, which is constantly renewed. Additionally, the Group is expecting to expand steadily by increasing the amount of cultivated hectares. The productivity of new plots added is not necessary high in the first years and give the results only in subsequent years.

The cultural mushrooms growing business will remain in leading positions across the Baltics, with no significant production capacity expansion plans forecasted for 2015.

11. Information on research and development activities

Agrowill Group AB does not have material licenses, and is not engaged in research activities.

12. Information on own shares

The Company has not acquired any own shares.

13. Share capital structure of the Company

The share capital of Agrowill Group AB as at 31 December 2014 is LTL 187,416,252. The share capital is divided into 187,416,252 ordinary shares. Each issued share has a LTL 1 nominal value and fully paid.

During 2014, the Company issued a new capital issue of 102,595,266 shares. Each share has usual material and intangible rights as per Lithuanian Republic law on Stock companies and Company's statutes.

14. 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 (see company's' shareholders agreements for more details).

15. Shareholders of the Company

The shareholders owning more than 5 per cent of all the Company shares as at 31 December 2014 were:

Name, surname / name of the company	Company / personal code	Address	Votes held by shareholder	Shares held by shareholder
Baltic Champs Group UAB	145798333	Poviliškės, Šiaulių distr.	99,340,015	53.01%
Vretola Holdings Limited	HE270472	Stylianou Lena, 18, Pallouriot, Nicosia, Cyprus	27,511,660	14.68%
Volemer Holdings Limited	HE268133	Avlonos 1, Nicosia, Cyprus	17,504,930	9.34%
Strėlis Linas	-	-	10,837,572	5.78%

No shareholder has special voting rights. In total, 783 physical and legal persons were Companies shareholders as at 31 December 2014.

16. Company's shareholders voting rights restrictions

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

17. Agreements between the shareholders

The Company has entered into the Shareholders' Agreement with Volemer Holdings Limited, Vretola Holdings Limited, Eastern Agro Holdings UAB, Sauledra UAB, Romualdas Antanas Petrošius, Aldona Petrošienė, Jurgis Petrošius, Marius Žutautas, Vladas Bagavičius, Domantas Savičius and Baltic Champs Group, UAB, which, in addition to the issues of the management of the Company (regarding the apportionment of the seats in supervisory board, the management board, and certain voting rules in the annual or extraordinary shareholders meetings), also established that after the closing of the merger transaction under the Agreement, the mandatory tender offer to buy the remaining voting shares of the Company will be submitted and implemented by the above mentioned shareholders of the Company together with the new shareholder Baltic Champs Group UAB, pro-rata to the number of the Company's shares held.

18. 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 Company's shareholders.

19. Members of collegial bodies, Head of Company, their participation in Companies' shares

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 7 members. The chairman is elected by the Board. The Board members are elected by the Supervisory Council. The Board of Directors elects and recalls the Director, decide upon remuneration and other working conditions, approves official rulebook, awards and handles penalties. The General Director is the manager of the Company.

Information on managing bodies of the Company as at 31 December 2014:

Name, Surname	Position	End of current term of office	Period of service as a member
Kęstutis Juščius	Chairman of Supervisory Board	Until general meeting of shareholders to be held in 2016	Member of Supervisory Board since 13-03-2014
Liudas Navickas	Member of Supervisory Board	Until general meeting of shareholders to be held in 2016	Member of Supervisory Board since 13-03-2014
Aurimas Sanikovas	Member of Supervisory Board	Until general meeting of shareholders to be held in 2016	Member of Supervisory Board since 13-03-2014
Gediminas Žiemelis	Member of Supervisory Board	Until general meeting of shareholders to be held in 2016	Member of Supervisory Board since 13-03-2014
Rimantas Rudzkis	Member of Supervisory Board	Until general meeting of shareholders to be held in 2016	Member of Supervisory Board since 13-03-2014

Name, Surname	Position	End of current term of office	Period of service as a member
Saulius Jurgelėnas	Chairman of Board General Director	Until general meeting of shareholders to be held in 2016	Member of Board since 08-05-2014 General director since 28-08-2014
Marius Žutautas	Member of Board	Until general meeting of shareholders to be held in 2016	Member of Board since 20-09-2011
Marijus Bakas	Member of Board	Until general meeting of shareholders to be held in 2016	Member of Board since 08-05-2014
Domantas Savičius	Member of Board	Until general meeting of shareholders to be held in 2016	Member of Board since 14-12-2007
Linas Strėlis	Member of Board	Until general meeting of shareholders to be held in 2016	Member of Board since 14-12-2007
Vladas Bagavičius	Member of Board	Until general meeting of shareholders to be held in 2016	Member of Board since 01-12-2008
Linas Bulzgys	Member of Board	Until general meeting of shareholders to be held in 2016	Member of Board since 08-05-2014

Members of the Supervisory Board

Kęstutis Juščius (Chairman)

Education, qualification: 1995 – Vilnius University, Business Administration Bachelor Degree.
Professional experience: Chairman the Board of Baltic Champs Group UAB.
Miscellaneous: Chairman of the Supervisory Board of Mycela SA.

Liudas Navickas

Education, qualification: 1976 - Kaunas University of Technology, Engineer Electric Specialty. 1982 – Vilnius University, Economics Specialty.
Professional experience: Director of PME Capital UAB (2011 – present); Director of Pavasaris UAB (2005-2011); Director of Šiaulių banko investicijų valdymas UAB (2000-2011).

Aurimas Sanikovas

Education, qualification: 2000 – 2002 Faculty of Economics, Vilnius University, Batchelor's and Master's Degree in Economics.
Professional experience: Chief Financial Officer of Avia Solutions Group AB (2007 – present); General Director of AviaAM Leasing UAB (2009 – 2011), director general; Manager at PricewaterhouseCoopers UAB (2001 – 2007).
Miscellaneous: Member of Association of Chartered Certified Accountants (ACCA); member of the Board of AB Avia Solutions Group; member of the Board of AB AviaAM Leasing.

Gediminas Žiemelis

Education, qualification: 2006 – Mykolas Romeris University, Faculty of Law, Master of Law; 1999 – Vilnius Gediminas Technical University, Faculty of Business Management, Bachelor's Degree.
Professional experience: Development Manager at AB Avia Solutions Group (2010 – present); Manager of the Development Department at ŽIA valda AB (2007 – 2009); General Manager of ŽIA VALDA AB (2002 – 2006); General Manager of UAB Žvilgsnis iš arčiau UAB (2001 – 2005).
Miscellaneous: Chairman of the Board of Avia Solutions Group AB; Chairman of the Board of ŽIA valda AB, Member of the Board of ŽIA valda Cyprus Ltd.

Rimantas Rudzkis

Education, qualification: 1973 - Kaunas Polytechnic Institute, Accounting Equipment Specialty, Engineer Mathematician Diploma; 1978 – PhD Dissertation of Mathematics; 1993 – Habilitated PhD of Mathematics; 1996 – Professor Degree.
Professional experience: Senior Scientific Specialist of the Mathematics and Informatics faculty at Vilnius University (1974 – present); Senior Analytic of DNB bank AB (2003 – 2011); Head of Modelling Department of Bank of Lithuania; Senior Analytic of SEB bank AB.

Members of the Board

Saulius Jurgelėnas (Chairman)

Education, qualifications: Vilnius University, Faculty of Economics.
Professional experience: CEO at Agrowill Group AB (2014 - present); Chairman of the Board at Umega AB (2012 - 2013); CEO at Sanitas AB (2005 - 2011); CFO/COO at Nemuno banga TŪB (2002 – 2005); CFO/COO at Kraitenė UAB; General Director at Endokrininiai preparatai AB.
Miscellaneous: Chairman of the Board at Ad Fingers UAB.

Marijus Bakas

Education, qualifications: Vilnius University, Faculty of Economics, Municipal Economics Master Degree.
Professional experience: Head of Širvintai branch at Baltic Champs UAB; Head of Širvintai branch at Kęstutis Juščius Farm (2001 - 2013); Deputy Director at Kesma UAB (1995 - 2002).

Linas Bulzgys

Education, qualifications: Vilnius University, Finance Bachelor Degree.
Professional experience: Regional President at Retal Industries Europe („Retal Industries") (2012 – 2014); CEO at Neo Group UAB („Retal Industries") (2007 – 2011); CFO at Neo Group UAB („Retal Industries") (2006 – 2007): CFO at JTI (Japan Tobacco International) Baltics Region (2000 – 2006); Auditor at PricewaterhouseCoopers UAB (1998 – 1999); Head of securities trading division at Bank Snoras AB (1994 – 1998).

Vladas Bagavičius

Education, qualifications: 1997 - Vilnius University, Faculty of Law, Master of Law.
Professional experience: Lawyer at Vladas Bagavičius Law Firm (2004 – present); Lecturer at International Business School at Vilnius University (2000 – 2012); Head of Law and Administration Department at Central Securities Depository of Lithuania AB (1996 – 2004).

Domantas Savičius

Education, qualifications: 2001 – Stockholm School of Economics in Riga, Bachelor's Degree.
Professional experience: COO (2014 – Present), Head of Production Department and Financial Director (2009 – 2014), and CFO (2005 – 2009) of Agrowill Group AB; Expert at Internal Audit Department of Rubicon Group UAB (2004 – 2005); Senior Assistant at PricewaterhouseCoopers UAB (2001 – 2004).

Linas Strėlis

Education, qualifications: 1991 – Kaunas Polytechnic Institute, machine production faculty.
Professional experience: Director of Biglis UAB (1993 – present); Director at Amber pasta UAB (2001 – 2005).
Miscellaneous: Member of the Board of „Vilkyškių pieninė" AB.

Marius Žutautas

Education, qualification: 2007 – Vilnius Pedagogical University, Bachelor of Economics; 2005 - Moscow School of Economics.
Professional experience: General Directors of ŽIA valda AB (2006 – present); General Director of Agrowill Group AB (2011 – 2014); Director of Agro Management Team UAB (2011 – 2014); Head of the representative office of Logistikos Projektai UAB in Moscow (2004 – 2005).
Miscellaneous: Member of the Board and Director of AB ŽIA valda; Member of the Board of Puntukas AB.

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 2014:

Name, Surname	Position	Owned shares in the Company, units	Owned shares in the Company, %
Linas Strėlis	Member of Board	10,837,572	5.78%
Vladas Bagavičius	Member of Board	660,137	0.35%
Domantas Savičius	Member of Board	659,521	0.35%
Marius Žutautas	Member of Board	442,568	0.24%
Gediminas Žiemelis	Member of Supervisory Board	8,993	0.00%

The Company's top management includes Members of the Board, General Director (total of 7 persons). All members of the Board of Directors and top management received salaries as the only form of compensation. Table below summarises salaries and other payments calculated for top management. Other payments include purchases of services from companies related to the management.

	Salaries in 2014	Other payments in 2014	Total payouts in 2014
Average for 1 member of Top Management	59,784	85,027	144,811
Total amount for all members of Top Management (7 persons)	418,487	595,191	1,013,678
Average amount for 1 member of Management	99,887	34,437	134,324
Total amount for all members of Management (General director and Chief Operating Officer)	199,774	68,874	268,648

There were no salaries or bonuses paid to Members of Supervisory board in 2014 or 2013.

20. Information on significant agreements, which could be affected by the change in shareholder structure

The Company or the Group has not entered into any significant agreements the validity, amendment and termination of which could be affected by the change in shareholder structure.

21. Information on Companies and Groups collegial bodies' agreements regarding compensations in case of resignation, unjustifiable redundancy, or change in ownership structure

The Company and its collegial bodies' members have not concluded any agreements regarding compensations in case of resignation, unjustifiable redundancy, or change in ownership structure.

22. Information on transactions with related parties

Information on transactions with related parties is disclosed in the explanatory notes of the consolidated financial statements.

23. Information on compliance with the Code of Corporate Governance

Agrowill Group AB compliance with the Code of Corporate Governance, which is added to the consolidated financial statements in the Annex.

24. Data on publicly announced information

During the period between 1 January 2014 and 31 December 2014 all information was publicly announced by the Group through NASDAQ OMX VILNIUS stock exchange as well as the ESPI information system which is operated by Polish FSA, as well as on Electronic Information Base which is operated by Warsaw Stock Exchange. The content of this information may be accessed in the website of NASDAQ OMX VILNIUS stock exchange.

A summary of the Company's announcements is shown below:

Announcement date	Announcement header
20.02.2014	Agreement on the merger of Agrowill Group AB with other companies was signed
20.02.2014	Notice on Convocation of the Extraordinary General Meeting of Shareholders of Agrowill Group AB
28.02.2014	Agrowill Group AB Interim unaudited information for 12 months ended 31 December 2013
28.02.2014	On the alternative draft decision on the issue No. 2 of the agenda of the extraordinary general meeting of shareholders to be held on 13 March 2014 and on the draft decision on the issue No. 4 of the agenda
04.03.2014	Notification about acquisition of a block of shares of Agrowill Group AB
12.03.2014	On the amended draft decision on the issue No. 4 of the agenda of the extraordinary general meeting of shareholders to be held on 13 March 2014
13.03.2014	Resolutions of the extraordinary shareholders meeting of Agrowill Group AB which took place on March 13, 2014.
27.03.2014	Chairman of the Supervisory Council of Agrowill Group AB has been appointed
31.03.2014	Approved prospectus on admission of shares of Agrowill Group AB to regulated markets
01.04.2014	The Competition Council cleared acquisition by Baltic Champs Group, UAB of 50,2 per cent Agrowill Group AB shares and acquisition of sole control of Agrowill Group AB
07.04.2014	Agrowill Group AB fulfil its obligations of restructuring plan and made first payment to the creditors - 15 percent of creditor's amount
09.04.2014	Notice on Convocation of the ordinary General Meeting of Shareholders of Agrowill Group AB on 30 April 2014
15.04.2014	Transaction on the merger of Agrowill Group AB with other companies was closed; the new Articles of Association of the company were registered
15.04.2014	Prospectus on admission of shares of Agrowill Group AB to regulated markets
16.04.2014	Regarding mandatory tender offer to buy up the remaining voting securities of the Company, also with regard the price of mandatory tender offer
22.04.2014	Notification on the acquisition of voting rights
22.04.2014	Notification about the intention to submit a non-competitive mandatory tender offer
23.04.2014	Draft resolutions of ordinary shareholders meeting of Agrowill Group AB which will take place on 30 April 2014
28.04.2014	Newly issued shares of Agrowill Group AB were introduced to trading on the Warsaw Stock Exchange
30.04.2014	Draft resolutions of ordinary shareholders meeting of Agrowill Group AB which will take place 30 April 2014 (AMENDED)
30.04.2014	Resolutions of the ordinary shareholders meeting of Agrowill Group AB which took place on 30 April 2014
30.04.2014	Annual information as of financial year 2013 approved by ordinary shareholders meeting of Agrowill Group AB which took place on 30 April 2014
05.05.2014	Additional information to Annual report of Agrowill Group AB
08.05.2014	Resolutions of Supervisory Council of Agrowill Group AB with regard to recall of the management Board and election of new management Board
14.05.2014	Chairman of the management Board of Agrowill Group AB appointed
20.05.2014	Regarding approval of the circular of the non-competitive mandatory tender offer
22.05.2014	Opinion of the Board of Agrowill Group AB about the submitted mandatory non-competitive tender offer to buy shares of the company
27.05.2014	Agrowill Group AB and DNB bank, AB signed an agreement to merge and to prolong repayment of loan
30.05.2014	Interim information of Agrowill Group AB for the 3 month period ended 31 March 2014
03.06.2014	Presentation of Agrowill Group AB for the conference CEO Meets Investors, organised by NASDAQ OMX Vilnius
13.06.2014	The report on the implementation of mandatory non-competitive tender offer of Agrowill Group AB was received
13.06.2014	Agrowill Group AB Notifications on transactions concluded by managers of the company
14.08.2014	Regarding impact of ban of imports of agricultural products to the Russian market and ban of imports of goods of Crimean origin into the European Union
28.08.2014	New CEO of Agrowill Group AB has been appointed
01.09.2014	Interim information of Agrowill Group AB for the 6 months period ended 30 June 2014
26.09.2014	Agrowill Group AB Notifications on transactions concluded by managers of the company
29.09.2014	Agrowill Group AB Notification on transactions concluded by manager of the company
30.11.2014	Interim information of Agrowill Group AB for the 9 months period ended 30 September 2014
02.12.2014	Group companies of Agrowill Group AB fulfil its obligations according restructuring plans and continue payments to the creditors

Agrowill Group AB authorised person, Board member
6 May 2015

Vladas Bagavičius

BALANCE SHEET
AS AT 31 DECEMBER 2014
(All amounts are in LTL thousand, unless otherwise stated)

	Notes	As at 31 December			
		GROUP		**COMPANY**	
ASSETS		**2014**	**2013* Restated**	**2014**	**2013**
Non-current assets					
Property, plant and equipment	5	262,747	111,351	268	183
Investment property	6	44,289	-	-	-
Investments in subsidiaries	7	-	-	202,627	113,608
Intangible assets	9	712	2	80	103
Long term receivables	14	-	-	2,870	12,347
Available for sale investments	8	382	-	-	-
Deferred tax asset	21	507	-	-	722
Biological assets	10	26,946	3,918	-	-
Total non-current assets		**335,583**	**115,271**	**205,845**	**126,963**
Current assets					
Biological assets	10	16,731	-	-	-
Inventory	11	35,567	10,622	66	62
Trade receivables, advance payments and other receivables	13	30,519	10,395	34,863	2,754
Cash and cash equivalents	12, 15	3,639	527	14	23
Total current assets		**86,456**	**21,544**	**34,943**	**2,839**
TOTAL ASSETS		**422,039**	**136,815**	**240,788**	**129,802**
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	16	152,270	62,910	187,416	84,821
Share premium		-	-	27,243	24,639
Legal reserve		-	-	2,000	2,000
Currency exchange differences		(319)	-	-	-
Retained earnings / (accumulated deficit)		40,624	5,096	(53,995)	(55,385)
Equity attributable to equity holders of the parent		**192,575**	**68,006**	**162,664**	**56,075**
Non-controlling interest		1,314	-	-	-
Total equity		**193,889**	**68,006**	**162,664**	**56,075**
Non-current liabilities					
Borrowings	18	105,388	42,580	5,231	5,107
Obligations under finance lease	20	10,950	1,639	-	-
Grants	17	13,201	-	-	-
Restructured liabilities	19	-	-	-	57,633
Deferred tax liability	21	5,457	-	-	-
Total non-current liabilities		**134,996**	**44,219**	**5,231**	**62,740**
Current liabilities					
Current portion of non-current borrowings	18	15,919	7,000	1,141	-
Current portion of non-current obligations under finance lease	20	5,476	898	-	-
Current borrowings	18	8,000	2,000	-	-
Current portion of restructured liabilities	19	15,611	-	70,438	10,170
Trade payables		35,823	12,714	755	320
Income tax payable		1,792	270	-	-
Other payables and current liabilities	22	10,533	1,708	559	497
Total current liabilities		**93,154**	**24,590**	**72,893**	**10,987**
Total liabilities		**228,150**	**68,809**	**78,124**	**73,727**
TOTAL EQUITY AND LIABILITIES		**422,039**	**136,815**	**240,788**	**129,802**

* Restated due to Reverse acquisition transaction. According to IFRS 3 (Business Combinations), the consolidated comparative figures are Baltic Champs UAB (accounting acquirer) separate figures. For details see Note 1. Baltic Champs UAB operated for 5 months in 2013.

The accompanying explanatory notes presented on pages 28 to 74 are an integral part of these financial statements.

These financial statements were approved and signed on 6 May 2015.

Vladas Bagavičius	Domantas Savičius
Authorised person, Board member	Chief Financial Officer

AGROWILL GROUP AB
Company code 126264360, Smolensko st. 10, LT-03201 Vilnius

AGROWILL GROUP

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014
(All amounts are in LTL thousand, unless otherwise stated)

INCOME STATEMENT		Year ended 31 December			
		GROUP		COMPANY	
	Notes	2014	2013 * Restated	2014	2013
Revenues	23	144,845	32,792	1,859	1,985
Cost of sales	23, 24	(113,163)	(25,536)	(32)	(103)
Gain (loss) on changes in fair values of biological assets and on initial recognition of agricultural produce		(4,649)	-	-	-
GROSS PROFIT		**27,033**	**7,256**	**1,827**	**1,882**
Operating expenses	25	(20,005)	(1,602)	(5,152)	(4,560)
Negative goodwill	26	31,201	-		-
Other income	27	5,476	7	32,374	8,520
OPERATING PROFIT		**43,705**	**5,661**	**29,049**	**5,842**
Finance cost	28	(8,883)	(295)	(26,937)	(5,797)
PROFIT (LOSS) BEFORE INCOME TAX		**34,822**	**5,366**	**2,112**	**45**
Income tax expense	21	755	(270)	(722)	-
NET PROFIT / (LOSS) FOR THE YEAR		**35,577**	**5,096**	**1,390**	**45**
ATTRIBUTABLE TO:					
Equity holders of the Company		35,528	5,096	1,390	45
Non-controlling interest		49	-	-	-
		35,577	**5,096**	**1,390**	**45**
Basic and diluted earnings (loss) per share (LTL)	29	**0.21**	**0.29**	**0.01**	**0.00**
STATEMENT OF COMPREHENSIVE INCOME					
NET PROFIT/ (LOSS) FOR THE PERIOD		**35,577**	**5,096**	**1,390**	**45**
Other comprehensive income:					
Currency exchange differences		(319)	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**35,258**	**5,096**	**1,390**	**45**
ATTRIBUTABLE TO:					
Equity holders of the Company		35,209	5,096	-	-
Non-controlling interest		49	-	-	-
		35,258	**5,096**	**1,390**	**45**

* Restated due to Reverse acquisition transaction. According to IFRS 3 (Business Combinations), the consolidated comparative figures are Baltic Champs UAB (accounting acquirer) separate figures. For details see Note 1. Baltic Champs UAB operated for 5 months in 2013.

The accompanying explanatory notes presented on pages 28 to 74 are an integral part of these financial statements.

These financial statements were approved and signed on 6 May 2015.

Vladas Bagavičius
Authorised person, Board member

Domantas Savičius
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014
(All amounts are in LTL thousand, unless otherwise stated)

GROUP

	Share capital	Share premium	Currency exchange differences	Legal reserve	Retained earnings	Equity attributable to the shareholders of the company	Non-controlling interest	Total
Balance as at 31 December 2012 * (Restated)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Comprehensive income								
Net profit (loss) for the period	-	-	-	-	5,096	5,096	-	5,096
Other comprehensive income								
-	-	-	-	-	-	-	-	-
Total comprehensive income	*-*	*-*	*-*	*-*	*5,096*	*5,096*	*-*	*5,096*
Transactions with shareholders								
Payment for share capital	10	-	-	-	-	10	-	10
Increase in share capital	62,900	-	-	-	-	62,900	-	62,900
Total transactions with shareholders	*62,910*	*-*	*-*	*-*	*-*	*62,910*	*-*	*62,910*
Balance as at 31 December 2013 * (Restated)	**62,910**	**-**	**-**	**-**	**5,096**	**68,006**	**-**	**68,006**
Comprehensive income								
Net profit (loss) for the period	-	-	-	-	35,528	35,528	49	35,577
Other comprehensive income								
Currency exchange differences	-	-	(319)	-	-	(319)	-	(319)
Total comprehensive income	*-*	*-*	*(319)*	*-*	*35,528*	*35,209*	*49*	*35,258*
Transactions with shareholders								
Increase in share capital	89,360	-	-	-	-	89,360	-	89,360
Acquisition of non-controlling interest	-	-	-	-	-	-	1,265	1,265
Total transactions with shareholders	*89,360*	*-*	*-*	*-*	*-*	*89,360*	*1,265*	*90,625*
Balance as at 31 December 2014	**152,270**	**-**	**(319)**	**-**	**40,624**	**192,575**	**1,314**	**193,889**

* Restated due to Reverse acquisition transaction. According to IFRS 3 (Business Combinations), the consolidated comparative figures are Baltic Champs UAB (accounting acquirer) separate figures. For details see Note 1. Baltic Champs UAB operated for 5 months in 2013.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014
(All amounts are in LTL thousand, unless otherwise stated)

COMPANY	Share capital	Share premium	Legal reserve	Retained earnings	Total
Balance as at 31 December 2012	**84,821**	**24,639**	**2,000**	**(55,430)**	**56,030**
Comprehensive income					
Net profit (loss) for the period	-	-	-	45	45
Total comprehensive income	-	-	-	45	45
Transactions with shareholders					
-	-	-	-	-	-
Total transactions with shareholders	-	-	-	-	-
Balance as at 31 December 2013	**84,821**	**24,639**	**2,000**	**(55,385)**	**56,075**
Comprehensive income					
Net profit (loss) for the period	-	-	-	1,390	1,390
Total comprehensive income	-	-	-	*1,390*	*1,390*
Transactions with shareholders					
Increase in share capital (note 16)	102,595	2,604	-	-	105,199
Total transactions with shareholders	*102,595*	*2,604*	-	-	*105,199*
Balance as at 31 December 2014	**187,416**	**27,243**	**2,000**	**(53,995)**	**162,664**

The accompanying explanatory notes presented on pages 28 to 74 are an integral part of these financial statements.

These financial statements were approved and signed on 6 May 2015.

Vladas Bagavičius
Authorised person, Board member

Domantas Savičius
Chief Financial Officer

AGROWILL GROUP

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014
(All amounts are in LTL thousand, unless otherwise stated)

	Year ended 31 December			
	GROUP		COMPANY	
	2014	2013 * Restated	2014	2013
Cash flows from /(to) operating activities				
Net profit (loss) from continuing activities	35,528	5,096	1,390	45
Non-controlling interest	49	-	-	-
Taxes and deferred taxes	(755)	270	722	-
Net profit (loss) before income tax	**34,822**	**5,366**	**2,112**	**45**
Adjustments for non-cash expenses (income) items and other adjustments				
Depreciation expense (note 5)	15,953	848	61	47
Amortization expense (note 9)	137	-	73	51
Write offs of PPE	367	-	-	2
(Profit) loss on sales of non-current assets	941	-	1	-
(Gain) on sale of investment property (note 27)	(3,969)	-	-	-
Write-offs of inventory (note 25)	880	-	-	-
Net finance cost	6,760	286	4,137	4,139
Currency exchange losses (note 28)	1,978	-	-	-
Acquired own liabilities at discount (note 27)	(601)	-	-	-
(Profit) loss on sale of investments	-	-	(31,738)	
Negative goodwill (note 26)	(31,201)	-	-	-
Impairment of accounts receivable (note 13, 25)	674	-	-	-
Change in fair value of investments (note 28)	-	-	22,042	-
Loss (gain) on changes in fair value of biological assets (note 23)	4,649	-	-	-
Grants related to assets, recognized as income (note 17)	(1,327)	-	-	-
Changes in working capital			-	-
(Increase) decrease in biological assets	87	-	-	-
(Increase) decrease in trade receivables and prepayments	(6,744)	(10,394)	(371)	(140)
(Increase) decrease in inventory	(4,058)	(8,855)	(4)	(32)
(Decrease) increase in trade and other payables	1,132	14,222	497	(1,229)
	20,480	**1,473**	**(3,190)**	**2,883**
Interest paid, net	(2,536)	(286)	-	-
Net cash flows from /(to) operating activities	**17,944**	**1,187**	**(3,190)**	**2,883**
Cash flows from /(to) investing activities				
Cash acquired together with subsidiaries (note 26)	4,181			
Purchase of property, plant and equipment (note 5)	(8,825)	(40,764)	(147)	(150)
Purchase of non-current intangible assets (note 9)	(489)	-	(50)	(67)
Purchase of investment property (note 6)	(154)	-	-	-
Proceeds from sales of investment property	26,086	-	-	-
Grants related to investments (note 17)	1,029	-	-	-
Other loans granted (repaid)	-	-	4,251	(1,430)
Net cash flows from/(to) investing activities	**21,828**	**(40,764)**	**4,054**	**(1,647)**
Cash flows from /(to) financing activities				
Contribution to share capital in cash (note 16)	-	10	-	-
Disposal (acquisition) of available for sale investments	(364)	-	-	139
Loans repaid to banks	(19,417)	(583)	-	-
Other borrowings obtained (paid)	(16,294)	40,825	(873)	(1,621)
Increase (decrease) of obligations under finance lease	(585)	(148)	-	-
Net cash flows from/(to) financing activities	**(36,660)**	**40,104**	**(873)**	**(1,482)**
Net (decrease) / increase in cash and cash equivalents	**3,112**	**527**	**(9)**	**(246)**
Cash and cash equivalents at the beginning of the period	**527**	**-**	**23**	**269**
Cash and cash equivalents at the end of the period	**3,639**	**527**	**14**	**23**

* Restated due to Reverse acquisition transaction. According to IFRS 3 (Business Combinations), the consolidated comparative figures are Baltic Champs UAB (accounting acquirer) separate figures. For details see Note 1. Baltic Champs UAB operated for 5 months in 2013.

The accompanying explanatory notes presented on pages 28 to 74 are an integral part of these financial statements.

These financial statements were approved and signed on 6 May 2015.

Vladas Bagavičius
Authorised person, Board member

Domantas Savičius
Chief Financial Officer

1. 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 str. 10, Vilnius, Lithuania. The Company's main activity is management of agricultural companies.

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

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

Due to this reverse acquisition transaction, the consolidated figures for the reporting period represent the Group's financial information, being those of Baltic Champs UAB (accounting acquirer) and its subsidiaries financial statements, although the legal name continues to be that of Agrowill Group AB while the comparative figures of the year 2013 are those of Baltic Champs UAB (accounting acquirer) separate figures.

The figures provided in the separate financial statements for the reporting and comparative periods represent the financial information of the legal parent – Agrowill Group AB.

Detailed information about the judgements related to this reverse acquisition is provided in note 4, while detailed numbers and negative goodwill calculation are provided in note 26. Information on the adjustments made to the equity to restate it due to reverse acquisition transaction is provided in note 16.

The main shareholders (over 5 per cent) of the Company were:

	31 December 2014		31 December 2013	
Entity / person	**Number of shares**	**% owned**	**Number of shares**	**% owned**
Baltic Champs Group UAB	99,340,015	53.01	-	-
Vretola Holdings Limited	27,511,660	14.68	10,800,202	12.73
Volemer Holdings Limited	17,504,930	9.34	16,575,672	19.54
Linas Strėlis	10,837,572	5.78	10,837,572	12.78
Eastern Agro Holdings	8,811,365	4.70	8,343,609	9.84
Romualdas Petrošius	6,831,645	3.65	6,468,984	7.63
Clients of Finvesta FMĮ UAB	4,616,805	2.46	4,616,805	5.44
Clients of Polish national depository for securities KDPW	2,563,103	1.37	2,626,678	3.10
Clients of Orion Securities FMĮ UAB	-	-	883,126	1.04
Other minor shareholders	9,399,157	5.02	23,668,338	27.90
Total	**187,416,252**	**100.00**	**84,820,986**	**100.00**

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

The consolidated Group (hereinafter the Group) consists of the Company and one hundred sixty four subsidiaries (2013.12.31: ninety one subsidiaries). The subsidiaries included in the Group's consolidated financial statements as at 31 December 2014 are indicated below. Group ownership interest specified below as at 31 December 2013 corresponds to the subsidiaries of pre-acquisition consolidated entity – AWG.

		Group ownership interest, %		
Subsidiary	**Country**	**31 Dec 2014**	**31 Dec 2013**	**Profile**
UAB Baltic Champs (legal subsidiary – accounting acquirer)	Lithuania	100.00%	-	Agricultural operations
AVG Investment UAB	Lithuania	100.00%	100.00%	Management company
AWG Investment 1 UAB	Lithuania	100.00%	100.00%	Management company
AWG Investment 2 UAB	Lithuania	100.00%	100.00%	Management company
UAB Agross	Lithuania	100.00%	100.00%	Trade and logistics

Subsidiary	Country	Group ownership interest, %		Profile
		31 Dec 2014	31 Dec 2013	
Abagrain BUAB	Lithuania	100.00%	100.00%	Trade and logistics
Grain Lt UAB	Lithuania	100.00%	100.00%	Trade and logistics
AMT Žemė UAB	Lithuania	90.00%	90.00%	Trade and logistics
Agro GIS UAB	Lithuania	90.00%	90.00%	IT system development
Baltic Farming Land Management UAB*	Lithuania	100.00%	100.00%	Land management company
Agro Management Team UAB	Lithuania	90.00%	90.00%	Land management company
Agrotechnikos centras UAB	Lithuania	100.00%	100.00%	Lease of machinery
PRIMA BIO COOP LT, UAB	Lithuania	100.00%	100.00%	Trade activities
Žemės fondas ŽŪB	Lithuania	100.00%	100.00%	Rent of land
Žemės vystymo fondas 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 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 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 22 UAB*	Lithuania	100.00%	100.00%	Acquisitions and rent of land
UAB Grūduva	Lithuania	97.28%	97.28%	Agricultural operations
Agricultural company Agrowill Spindulys**	Lithuania	100.00%	100.00%	Agricultural operations
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	99.38%	99.38%	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	98.55%	98.55%	Agricultural operations
Agricultural company Agrowill Eimučiai**	Lithuania	98.41%	98.41%	Agricultural operations
Agricultural company Agrowill Vėriškės**	Lithuania	99.86%	99.86%	Agricultural operations
Agricultural company Agrowill Želsvelė**	Lithuania	97.17%	97.17%	Agricultural operations
Agricultural company Agrowill Lankesa**	Lithuania	96.24%	96.24%	Agricultural operations
Agricultural company Agrowill Kairėnai**	Lithuania	94.82%	94.82%	Agricultural operations
Agricultural company Agrowill Jurbarkai**	Lithuania	87.78%	87.78%	Agricultural operations
Panevežys region Agricultural company Gustoniai	Lithuania	99.00%	99.00%	Agricultural operations
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
Natur Agro Grup S.R.L.	Moldova	100.00%	100.00%	Acquisitions and rent of land
Cooperative entity Siesartis	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Kašėta	Lithuania	100.00%	100.00%	Agricultural services
Agricultural company Gustonys	Lithuania	100.00%	100.00%	Acquisitions and rent of land
Agricultural company Skėmių pienininkystės centras	Lithuania	50.00%	50.00%	Agricultural services
Cooperative entity Agrobokštai	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Dotnuvėlės valdos	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Nevėžio lankos	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Radviliškio kraštas	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Šventosios pievos	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Kairių ūkis	Lithuania	100.00%	100.00%	Agricultural services
Cooperative entity Šiaurinė valda	Lithuania	100.00%	100.00%	Agricultural services

Subsidiary	Country	Group ownership interest, % 31 Dec 2014	Group ownership interest, % 31 Dec 2013	Profile
Cooperative entity Šušvės žemė	Lithuania	100.00%	100.00%	Agricultural services
Cooperative company Žalmargėlis	Lithuania	100.00%	100.00%	Agricultural services
Cooperative company Juodmargėlis	Lithuania	100.00%	100.00%	Agricultural services
Cooperative company AgroMilk	Lithuania	100.00%	100.00%	Agricultural services
UAB Agrosaulė 1***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrokreditas***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 3***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 4***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 5***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 6***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 7***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 8***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 9***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 10***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 11***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 12***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 13***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 14***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 15***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 16***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 17***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 18***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 19***	Lithuania	100.00%	100.00%	Renewable energy
UAB Agrosaulė 20***	Lithuania	100.00%	100.00%	Renewable energy
UAB Traktorių nuomos centras	Lithuania	100.00%	100.00%	Agricultural services
UAB Traktorių nuomos paslaugos	Lithuania	100.00%	100.00%	Agricultural services
Arnega UAB	Lithuania	100.00%	100.00%	Agricultural services
AgroSchool OU	Estonia	100.00%	100.00%	Human resource management
Public institution AgroSchool	Lithuania	50.00%	50.00%	Human resource management
Biržai distr., Rinkuškiai reclamation infrastructure users association	Lithuania	100.00%	100.00%	Agricultural services
Pasvalys distr., Pušalotas reclamation infrastructure users association	Lithuania	100.00%	100.00%	Agricultural services
Association Grūduvos melioracija	Lithuania	100.00%	100.00%	Agricultural services
UAB Agrosaulė 21	Lithuania	100.00%	-	Renewable energy
UAB Agro Ramučiai	Lithuania	100.00%	-	Agricultural operations
UAB Luganta	Lithuania	100.00%	-	Agricultural operations
UAB eTime invest	Lithuania	100.00%	-	Management company
Karakash Agro, OOO	Ukraine	100.00%	-	Agricultural operations
Karakash, OOO	Ukraine	100.00%	-	Agricultural operations
UAB ŽVF projektai	Lithuania	100.00%	-	Acquisitions and rent of land
UAB Alantos ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Dumšiškių ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Eimučių ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Grūduvos ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Jurbarkai ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Kairėnų ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Lankesos ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Mantviliškio ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Nausodės ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Skėmių ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Smilgių ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Spindulio ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Vėriškės ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Žadžiūnų ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
UAB Želsvelės ekologinis ūkis	Lithuania	100.00%	-	Ecological agriculture
Havestro OU	Estonia	100.00%	-	Investment activities
Tabra Agro OU	Estonia	100.00%	-	Investment activities
Springbox OU	Estonia	100.00%	-	Investment activities
Newbygg OU	Estonia	100.00%	-	Investment activities
Kangruaadu Agro OU	Estonia	100.00%	-	Investment activities
Prestviigi OU	Estonia	100.00%	-	Investment activities
Astermont OU	Estonia	100.00%	-	Investment activities
Kropi Silm OU	Estonia	100.00%	-	Investment activities
Lepaoja Agro OU	Estonia	100.00%	-	Investment activities
Revalmarine OU	Estonia	100.00%	-	Investment activities
Transrail OU	Estonia	100.00%	-	Investment activities
SwedGreen OU	Estonia	100.00%	-	Investment activities
First deal OU	Estonia	100.00%	-	Investment activities
Viarock OU	Estonia	100.00%	-	Investment activities

Subsidiary	Country	Group ownership interest, % 31 Dec 2014	Group ownership interest, % 31 Dec 2013	Profile
Rame Agro OU	Estonia	100.00%	-	Investment activities
Saastna Agro OU	Estonia	100.00%	-	Investment activities
Pasilaid OU	Estonia	100.00%	-	Investment activities
Lillhamne OU	Estonia	100.00%	-	Investment activities
Ogerna OU	Estonia	100.00%	-	Investment activities
Teorehe Agro OU	Estonia	100.00%	-	Investment activities
Sendri Capital OU	Estonia	100.00%	-	Investment activities
Turvaste partners OU	Estonia	100.00%	-	Investment activities
Nakamaa Agro OU	Estonia	100.00%	-	Investment activities
Hindaste Invest OU	Estonia	100.00%	-	Investment activities
Tuudi River OU	Estonia	100.00%	-	Investment activities
Palderma Partners OU	Estonia	100.00%	-	Investment activities
Liialaid Capital OU	Estonia	100.00%	-	Investment activities
Ave-Martna Capital OU	Estonia	100.00%	-	Investment activities
Hobring Invest OU	Estonia	100.00%	-	Investment activities
Rukkirahhu Capital OU	Estonia	100.00%	-	Investment activities
Kaazys Agro OU	Estonia	100.00%	-	Investment activities
Pahasoo OU	Estonia	100.00%	-	Investment activities
Balistaro OU	Estonia	100.00%	-	Investment activities
123 Union OU	Estonia	100.00%	-	Investment activities
NovaCorpus OU	Estonia	100.00%	-	Investment activities
Bestmax OU	Estonia	100.00%	-	Investment activities
Remidox OU	Estonia	100.00%	-	Investment activities
KB Ganiklis	Lithuania	100.00%	-	Ecological agriculture
KB Ganiavos gėrybės	Lithuania	100.00%	-	Ecological agriculture
KB Žemėpačio pieno ūkis	Lithuania	100.00%	-	Ecological agriculture
KB Žemynos pienelis	Lithuania	100.00%	-	Ecological agriculture
KB Lygiadienio ūkis	Lithuania	100.00%	-	Ecological agriculture
KB Laumės pieno ūkis	Lithuania	100.00%	-	Ecological agriculture
KB Medeinos pienas	Lithuania	100.00%	-	Ecological agriculture
KB Gardaitis	Lithuania	100.00%	-	Ecological agriculture
KB Dimstipatis	Lithuania	100.00%	-	Ecological agriculture
KB Aušlavis	Lithuania	100.00%	-	Ecological agriculture
KB Austėjos pieno ūkis	Lithuania	100.00%	-	Ecological agriculture
KB Aitvaro ūkis	Lithuania	100.00%	-	Ecological agriculture
KB Giraičio pieno ūkis	Lithuania	100.00%	-	Ecological agriculture

* Land management entities;
**Entities under restructuring;
*** Special purpose ventures (SPVs).

In 2013 the Company sold 3 (three) land management entities and established 3 (three) cooperative entities for investments in stock-breeding as well as 2 (two) entities for human resource management related projects. The Company also acquired one company providing various agricultural services.

During 2014 the Group founded 28 (twenty eight) new agriculture companies and cooperatives for ecological agriculture operations and 40 (forty) private limited companies for land management activities.

As at 31 December 2014 the Group had 1,104 employees, 31 December 2013 – 516 employees. Main operations of the Group – cultural mushrooms growing and selling, production and sales of milk and different grain and rapeseed crops, as well as land management activities.

Restructuring

The major part of the Group's assets are the investment property, owned land, buildings, equipment and cattle herds – non-current assets, payback of which is longer than 1–2 year term. Due to severely limited additional financing opportunities, and the Group's current financial liabilities exceeding its current assets, the shareholders and management of the Group in June 2009 undertook a decision to initiate restructuring process for most of the Group's entities – for the Company and 14 agricultural entities: Agrowill Alanta ŽŪB, Agrowill Nausodė ŽŪB, Agrowill Smilgiai ŽŪB, Agrowill Žadžiūnai ŽŪB, Agrowill Eimučiai ŽŪB. Agrowill Dumšiškės ŽŪB, Agrowill Jurbarkai ŽŪB, Agrowill Želsvelė ŽŪB, Agrowill Spindulys ŽŪB, Agrowill Skėmiai ŽŪB, Agrowill Kairėnai ŽŪB, Agrowill Vėriškės ŽŪB, Agrowill Mantviliškis ŽŪB, and Agrowill Lankesa ŽŪB are undergoing Restructuring, during which the companies cannot pay dividends until they have settled all the debts.

The restructuring process is a mean for companies facing liquidity problems to operate under normal circumstances and to try and earn the funds needed to repay the accumulated amounts due. It was agreed with the creditors that in the 3rd year of restructuring 15% of debts will be paid, while the remaining 85% will be paid in the 4th year of restructuring.

As at 31 December 2014 all companies participating in Restructuring are in the last year of restructuring process and have remaining 85% of external debts to repay, except for Agrowill Spindulys ŽŪB, Agrowill Skėmiai ŽŪB, Agrowill Vėriškės ŽŪB, and Agrowill Kairėnai ŽŪB which all have repaid their debts to external creditors in full.

The Group management expects all 15 entities to have LTL nil restructuring debts by the end of 2015.

2. Summary of significant accounting policies

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The accompanying financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU). The consolidated financial statements have been prepared on the historical cost basis, except for property, plant and equipment, which are measured at revalued amount, investment property and biological assets (livestock and crops), which are measured at fair value. The Company applies the same accounting policies as the Group.

The preparation of financial statements in conformity with IFRSs 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 statements, are disclosed in note 4.

According to IFRS 3 (Business Combinations), BC acquired AWG; therefore, the consolidated figures represent the Group's financial information, being the consolidation of Baltic Champs UAB and its subsidiaries including Agrowill Group AB, while the comparative figures of the year 2013 are Baltic Champs UAB (accounting acquirer) separate figures.

The consolidated financial statements are presented in Lithuanian Litas (LTL), which is the Company's functional and presentation currency.

<u>Going concern basis</u>

The accompanying financial statements are prepared on going concern basis. Although significant entities of the Group, including the Company, are under restructuring, and current assets of the Group are still lower than its current liabilities, the Group's financial situation improved over last years. In March 2013, the certain local bank loan of LTL 23 million was extended until 2016. Also in 2014, the Group signed agreements with another local bank regarding changes to the loan agreements of subsidiary land management entities, by which the significant part of payments was bulleted to the end of the loan period – year 2023, and regarding changes to other loan agreements by which bank issued new long-term loans which refinanced restructured amounts owed to local bank.

In December 2014, restructuring debts of 4 agricultural entities – Agrowill Spindulys ŽŪB, Agrowill Skėmiai ŽŪB, Agrowill Kairėnai ŽŪB, and Agrowill Vėriškės ŽŪB were fully paid and restructuring cases ended in courts in 2015. Although some of the Group's loans had their covenants breached as at 31 December 2014 (see note 18), but no major loan terminations were initiated by the banks, as they are in favour of management's taken approach, i.e. initiation of restructuring processes.

Carefully considering the aforementioned facts, management is putting and will put all efforts to remove material uncertainty and relying on the positive outcome of the actions described above, management continues to adopt the going concern basis in preparing these financial statements.

<u>New standards, amendments and interpretations</u>

In 2014 the Group has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the accounting periods beginning on 1 January 2014:

Except for the changes below, the Group and the Company have consistently applied the accounting policies set out in note 2 to all periods presented in these consolidated and separate financial statements.

The Group and the Company have adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2014.

(i) IFRS 12: Disclosure of Interests in Other Entities

IFRS 12 brings together into a single standard all the disclosure requirements about an entity's interest in subsidiaries, joint arrangements, associates and unconsolidated structured entities.

As a result of IFRS 12, the Group has expanded its disclosures about its interests in subsidiaries (note 2.2).

IFRS 11 Joint Arrangements also became first applicable in 2014; however, it is not applicable to the Company as the Company does not participate in joint arrangements.

(ii) IFRS 10: Consolidated Financial Statements

As a result of IFRS 10 (2011), the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees. IFRS 10 (2011) introduces a new control model that focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns.

In accordance with the transitional provisions of IFRS 10 (2011), the Group reassessed the control conclusion for its investees at 1 January 2014. The Group concluded that there are no changes in control assessment as a consequence of new rules introduced by IFRS 10 (2011).

2.1 Basis of preparation (continued)

(iii) Other amendments to standards

The following amendments to standards with effective date of 1 January 2014 did not have any impact on these consolidated and separate financial statements:

- IAS 27 (2011) Separate Financial Statements;
- IAS 28 (2011) Investments in Associates and Joint Ventures;
- Amendments to IAS 32 on Offsetting Financial Assets and Financial Liabilities;
- Amendments to IAS 27 on Investment Entities;
- Amendments to IAS 36 on Recoverable Amount Disclosures for Non-Financial Assets;
- Amendments to IAS 39 on Novation of Derivatives and Continuation of Hedge Accounting.

<u>Standards, interpretations and amendments to published standards that are not yet effective</u>

A number of new standards, amendments and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these consolidated and separate financial statements. Those which may be relevant to the Group and the Company as well as management's judgements regarding the possible impact of initial application of new and revised standards and interpretations are set out below. The Group and the Company do not plan to adopt these amendments, standards and interpretations early.

(i) Amendments to IAS 19 – Defined Benefit Plans: Employee Contributions (effective for annual periods beginning on or after 1 February 2015)

The amendments are relevant only to defined benefit plans that involve contributions from employees or third parties meeting certain criteria. Namely that they are:

- set out in the formal terms of the plan;
- linked to service; and
- independent of the number of years of service.

When these criteria are met, a company is permitted (but not required) to recognise them as a reduction of the service cost in the period in which the related service is rendered.

The Group and the Company do not expect the Amendment to have any impact on the financial statements of the Group and the Company since they do not have any defined benefit plans that involve contributions from employees or third parties.

(ii) IFRIC 21 Levies (effective for annual periods beginning on or after 17 June 2014)

The Interpretation provides guidance as to the identification of the obligating event giving rise to a liability, and to the timing of recognising a liability to pay a levy imposed by government.

In accordance with the Interpretation, the obligating event is the activity that triggers the payment of that levy, as identified in the relevant legislation and as a consequence, the liability for paying the levy is recognised when this event occurs. The liability to pay a levy is recognised progressively if the obligating event occurs over a period of time. If the obligating event is the reaching of a minimum activity threshold, the corresponding liability is recognised when that minimum activity threshold is reached.

The Interpretation sets out that an entity cannot have a constructive obligation to pay a levy that will be triggered by operating in a future period as a result of the entity being economically compelled to continue to operate in that future period.

It is expected that the Interpretation, when initially applied, will not have a material impact on the financial statements of the Group and the Company, since it does not result in a change in the Group's and the Company's accounting policy regarding levies imposed by governments.

(iii) Annual Improvements to IFRSs

The improvements introduce eleven amendments to nine standards and consequential amendments to other standards and interpretations. Most of these amendments are applicable to annual periods beginning on or after 1 February 2015, with earlier adoption permitted. Another four amendments to four standards are applicable to annual periods beginning on or after 1 January 2015, with earlier adoption permitted.

None of these amendments are expected to have any significant impact on the financial statements of the Group and the Company:

a. *IFRS 1 First-time Adoption of International Financial Reporting Standards*

The amendment clarifies that in its first IFRS financial statements, a first-time adopter is permitted but not required to apply a new or revised IFRS that is not yet mandatory but is available for early application.

The amendment is not expected to have any effect on the financial statements of the Group and the Company.

b. *IFRS 2 Share-based Payment*

IFRS 2 has been amended to clarify the definition of 'vesting condition' by separately defining 'performance condition' and 'service condition.'

The amendment is not expected to have any effect on the financial statements of the Group and the Company.

2.1 Basis of preparation (continued)

c. IFRS 3 Business Combinations

The amendment to IFRS 3 Business Combinations (with consequential amendments to other standards) clarifies that when contingent consideration is a financial instrument, its classification as a liability or equity is determined by reference to IAS 32, rather than to any other standard. It also clarifies that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date.

IFRS 3 has also been amended to clarify that the standard does not apply to the accounting for the formation of all types of joint arrangements in IFRS 11 *Joint Arrangements* – i.e. including joint operations – in the financial statements of the joint arrangements themselves.

The amendment is not expected to have any effect on the financial statements of the Group and the Company.

d. IFRS 8 Operating Segments

IFRS 8 has been amended to explicitly require the disclosure of judgements made by management in applying the aggregation criteria. The disclosures include a brief description of the operating segments that have been aggregated; and the economic indicators that have been assessed in determining that the operating segments share similar economic characteristics.

In addition, this amendment clarifies that a reconciliation of the total of the reportable segments' assets to the entity's assets is required only if this information is regularly provided to the entity's chief operating decision maker. This change aligns the disclosure requirements with those for segment liabilities.

The amendment is not expected to have any effect on the financial statements of the Group and the Company.

e. IFRS 13 Fair Value Measurement

The IASB has clarified that, in issuing IFRS 13 and making consequential amendments to IAS 39 and IFRS 9, it did not intend to prevent entities from measuring short-term receivables and payables that have no stated interest rate at their invoiced amounts without discounting, if the effect of not discounting is immaterial.

The scope of the IFRS 13 portfolio exception – whereby entities are exempted from measuring the fair value of a group of financial assets and financial liabilities with offsetting risk positions on a net basis if certain conditions are met – has been aligned with the scope of IAS 39 and IFRS 9.

IFRS 13 has been amended to clarify that the portfolio exception potentially applies to contracts in the scope of IAS 39 and IFRS 9 regardless of whether they meet the definition of a financial asset or financial liability under IAS 32 – e.g. certain contracts to buy or sell non-financial items that can be settled net in cash or another financial instrument.

The amendment is not expected to have any effect on the financial statements of the Group and the Company.

f. IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets

IAS 16 and IAS 38 have been amended to clarify that, at the date of revaluation:

- the gross carrying amount:
  - is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset – e.g. restated in proportion to the change in the carrying amount or by reference to observable market data; and
  - the accumulated depreciation (amortisation) is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- the accumulated depreciation (amortisation) is eliminated against the gross carrying amount of the asset.

The amendment is not expected to have any effect on the financial statements of the Group and the Company.

g. IAS 24 Related Party Disclosures

The definition of a 'related party' is extended to include a management entity that provides key management personnel services to the reporting entity, either directly or through a group entity.

The amendment is not expected to have any effect on the financial statements of the Group and the Company.

h. IAS 40 Investment Property

IAS 40 has been amended to clarify that an entity should assess whether an acquired property is an investment property under IAS 40; and perform a separate assessment under IFRS 3 to determine whether the acquisition of the investment property constitutes a business combination.

Entities will still need to use judgement to determine whether the acquisition of an investment property is an acquisition of a business under IFRS 3.

The amendment is not expected to have any effect on the financial statements of the Group and the Company.

There are no other new or revised standards or interpretations that are not yet effective that would be expected to have a material impact on the Group and the Company.

2.2 Group accounting

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

All subsidiaries and Group shareholdings are disclosed in note 1 of these financial statements. Currently the Group has some restrictions controlling two subsidiary companies Karakash Agro OOO and Karakash OOO, which are located in Crimea. Crimea is a part of Ukrainian Republic, which after 2014 internationally un-accepted referendum was annexed to the Russian Federation. Later in 2014, the EU and US imposed certain sanctions and restrictions regarding doing business in Crimea and the Russian Federation. The imposed sanctions limit the Group from actions like monetary transfers, transferring non-monetary help, export restrictions and others. All the restrictions severely limit the Group's ability to perform feasible and profit generating activities in that region. Additionally, international tensions give certain amount of risks with regard of overall losing of business there. See note 3.4 for more details.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interest issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement as negative goodwill.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred.

2.3 Transactions with non-controlling interest

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
b) Income and expenses for each income statement transactions are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing at the rate on the dates of the transactions);
c) All exchange differences are recognised in other comprehensive income as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Property, plant and equipment

Property, plant and equipment are assets that are owned and controlled by the Group, which are expected to generate economic benefits in the future periods and with the useful life exceeding one year. Property, plant and equipment are shown at revalued amounts less subsequent accumulated depreciation and subsequent impairment losses.

Land and buildings comprise mainly agricultural land, cow farms, machinery yards and grain storage buildings. Constructions and machinery comprise agricultural equipment and milking farm equipment. All the property, plant and equipment, except for construction in progress and those buildings and structures where no legal title was obtained by the Group, are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revaluated amount of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement in the period in which they are incurred.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against revaluation reserve directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from 'revaluation reserve' to 'retained earnings'.

Land is not depreciated. Depreciation of other assets, except construction in progress, is calculated using the straight-line method to allocate their cost or revaluated amounts to their residual values over their estimated useful lives as follows:

Buildings	20–50	years
Constructions and machinery	5–20	years
Vehicles, equipment and other assets	1–10	years

Assets held under finance leases are depreciated over the shorter of their expected useful lives on the same basis as owned assets or lease term.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Construction-in-progress represents property, plant and equipment under construction. Such assets are carried at acquisition cost, less any recognized impairment losses. Cost includes design, construction works, plant and equipment being mounted and other directly attributable costs.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'operating expenses' in the income statement. When revalued assets are sold, the amounts included in revaluation reserve are transferred to retained earnings.

The useful lives of property, plant and equipment are determined by management at the time the asset is acquired and reviewed on an annual basis for appropriateness.

2.6 Investment property

Investment property, principally comprising agricultural land plots, is held mostly for long-term rental yields (small amount of land held for capital appreciation) and is not occupied by the Group. Investment property is carried at fair value, representing open market value determined annually. Fair value based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets. Changes in fair values are recorded in the income statement as part of other operating activities. The classification between property, plant and equipment and investment property is performed based on each plot of land.

2.7 Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

2.7 Intangible assets (continued)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Other intangible assets

Intangible assets expected to provide economic benefit to the Group in future periods have a finite useful life and are valued at acquisition cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on the straight-line method to allocate the cost of intangible asset over the estimated benefit period as follows:

Software	2–3	years
Other intangible assets	5	years

Separately acquired licences are shown at historical cost less accumulated amortization. Licences acquired in a business combination are recognised at fair value at the acquisition date. Acquired computer software licences are capitalized on the basis of the costs incurred to acquire and bring to use the specific software.

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The gain or loss arising on the disposal of intangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

The useful lives of intangible assets are determined by management at the time the asset is acquired and reviewed on an annual basis for appropriateness.

2.8 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and intangible assets not yet available for use are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.9 Biological assets

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

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

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

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

Livestock is measured at fair value less estimated point-of-sale costs. Fair value is determined using current market value of livestock groups or market values of similar groups of livestock by age and breed.

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

2.10 Financial assets

2.10.1 Classification

The Group classifies its financial assets into the following measurement categories: at fair value through profit or loss, available-for-sale, derivatives, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. During the current period the Group did not hold any investments in at fair value through profit or loss category.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables', and 'cash and cash equivalents' in the balance sheet.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Derivative financial instruments

The Group holds derivative financial instruments to hedge against its interest rate risk exposures; however, there is no formal hedging policy prepared by the Group, and therefore no hedge accounting is applied.

Derivatives are recognised initially at fair value; any directly attributable transaction costs are recognised in profit or loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in profit or loss.

2.10.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are carried at amortised cost using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

After initial recognition available-for-sale financial assets are measured at fair value based on available market prices or quotes of brokers. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument, which is substantially the same, and discounted cash flow analysis. The result of revaluation of available-for-sale securities is recognised in revaluation reserve of financial assets, reported under equity.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade receivables is described in note 2.12.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value, except for agricultural produce which is stated at net realisable value. Cost is determined by FIFO method. The cost of inventories comprises purchase price, taxes (other than those subsequently recoverable by the Group from the tax authorities), transport, handling and other costs directly attributable to the acquisition of inventories. Net realisable value is the estimate of the selling price in the ordinary course of business, less the applicable selling expenses. All inventories held by the Group are attributed to the materials category.

2.12 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less impairment. An impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within 'operating expenses'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'other operating expenses' in the income statement.

2.13 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.14 Share capital

Ordinary shares are stated at their par value. Consideration received for the shares sold in excess over their par value is shown as share premium. Incremental external costs directly attributable to the issue of new shares are accounted for as a deduction from share premium.

2.15 Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Grants related to assets

Government grants relating to property, plant and equipment are included in deferred income and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

Grants related to income

Grants related to income are received as a reimbursement for the expenses already incurred and as a compensation for unearned revenue, and also all other grants than those related to assets. Grants are recognized when they are received or there is a reasonable assurance that they will be received. Grants received as a compensation for unearned revenue are recognized as income over the periods necessary to match them with the related unearned revenue.

Grants related to biological assets

Unconditional grants related to biological assets measured at their fair value less estimated point-of-sale costs are recognized as income when government grant became receivable. Conditional grants related to biological assets measured at their fair value less estimated point-of-sale costs are recognized as income when the conditions attached to the government grant are met.

2.16 Trade payables

Trade payable are obligations to pay for goods or services that have been acquired in an ordinary course of business. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

2.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Issued bonds are classified as financial liabilities, which are repurchased in one amount or in instalments under a certain repayment schedule. Issued bonds are recognized initially at fair value, being their issue proceeds net of transaction costs incurred. They are measured at amortized cost using the effective interest rate method.

2.18 Accounting for leases where the Group is the lessee

Finance lease

The Group is a lessee in a lease which transferred substantially all the risks and rewards incidental to ownership to the Group. The assets leased are capitalised in property, plant and equipment at the commencement of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of future finance charges, are included in borrowings. The interest cost is charged to the income statement over the lease period using the effective interest method. The assets acquired under finance leases are depreciated over their useful life or the shorter lease term if the Group is not reasonably certain that it will obtain ownership by the end of the lease term. If sale and leaseback transaction results in a finance lease, any excess or shortfall of sales proceeds over the carrying amount is not recognised immediately and is deferred and amortised over the lease term.

Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2.19 Accounting for leases where the Group is the lessor

Operating lease

Leases where the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. The Group presents assets subject to operating leases in the balance sheet according to the nature of the asset. Lease income from operating leases is recognized in the income statement on a straight-line basis over the lease term as revenues. The depreciation policy for leased assets is consistent with the Group's depreciation policy for similar assets, and depreciation is calculated in accordance with the accounting policies used for property, plant and equipment.

2.20 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income and directly in equity. In this case, the tax is also recognised in other comprehensive income, and directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group companies operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate and consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Income tax expense is calculated and accrued for in the financial statements on the basis of information available at the moment of the preparation of the financial statements, and estimates of income tax performed by the management in accordance with Lithuanian regulatory legislation on taxation.

Deferred income tax assets are recognised only to the extent that is probable that future taxable profit will be available against which the temporary differences and unused tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

According to Lithuanian legislation, ordinary tax losses can be carried forward indefinitely if a taxpayer continues to perform business activities from which such losses occurred. When calculating the income tax for 2014 and subsequent years, only 70% of the taxable result for the period can be set off against tax loss utilised.

Deferred tax assets and liabilities are offset when they are related to taxes levied by the same tax authority and when there is a legally enforceable right to cover current payable taxes at net value.

The main temporary differences arise due to revaluation of investment property and revaluation of property, plant and equipment.

2.21 Revenue and expense recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Expenses are recognized on the basis of accrual and revenue and expense matching principles in the reporting period when the income related to these expenses was earned, irrespective of the time the money was spent. In those cases when the costs incurred cannot be directly attributed to the specific income and they will not bring income during the future periods, they are expensed as incurred.

Sales of goods

The Group manufactures and sells a range of agricultural commodities in an open market. Sales of goods are recognized when the Group entity has delivered products to the customer. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer and the customer has accepted the products in accordance with the sales contract.

Sales of services

Revenue from services is recognised on performance of the services. Payments received under operating leases are credited to the income statement on a straight-line basis over the period of the lease.

Interest income and expenses

Interest income and expenses are recognized on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable. In the cash flow statement received interest is classified as cash flows from investing activities, interest paid – as cash flows from operating activity.

2.22 Employee benefits

Social security contributions

The Group pays social security contributions to the state Social Security Fund (the Fund) on behalf of its employees based on the defined contribution plan in accordance with the legal requirements. A defined contribution plan is a plan under which the Group pays fixed contributions into the Fund and will have no legal or constructive obligations to pay further contributions if the Fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior period. Social security contributions are recognised as expenses on an accrual basis and included in payroll expenses.

Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

Bonus plans

The Group recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

2.23 Segment information

Management has determined the operating segments based on the reports reviewed by the Director of Production and Finance Department that are used to make strategic decisions. The main business segments defined by the Group are stock-breeding, crop growing, trading, and other sales and services.

The Management of the Group assesses the performance of each individual agricultural and land management company. Those individual companies are analysed based on a measure of gross profit of different sub-segments: mushroom growing, milk production and cattle sale in stock-breeding, different crops such as wheat, rapeseed, and barley in the crop-growing segment, as well as trading and land rent activities.

Expenses of the Group's structural units, which may be directly allocated to a specific segment, are allocated to this segment. Expenses of the structural units of the Group, which take part in more than one segment, are allocated pro rata to the established distribution of expenses.

All Group's revenues are generated in Lithuania, except for a small portion of business situated in Crimea, which is officially still a part of Ukraine, although the Russian Federation claims Crimea is part of it after annexation in 2014.

2.24 Investments in subsidiaries in the separate financial statements of the Company

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in price paid arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

2.25 Subsequent events

Post balance sheet events that provide additional information about the Group's position at the balance sheet date (adjusting events) are reflected in the financial statements. Post balance sheet events that are not adjusting events are disclosed in the notes when material.

3. Risk management

3.1 Financial risk management

Financial risk factors

The Group's and the Company's activities expose them to financial risks: market risk (including foreign exchange risk, and cash flow and fair value interest rate risk), credit risk, liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects of the financial performance of the Group.

The Board of Directors is responsible for the risk management policies and procedures.

Market risk

(i) Foreign exchange risk

The Group has a policy to synchronize the cash flows from expected sales in the future with the expected purchases and other expenses in each foreign currency. In order to manage foreign currency risk the Group borrows only in LTL or EUR. The Group's purchase / sale contracts are also concluded in LTL and EUR. As LTL and EUR currency exchange rate was fixed, and, as of 1 January 2015, Lithuania changed its national currency from litas to euro, borrowings by currency data is not provided on the grounds that foreign exchange risk is not considered significant.

The Group companies do not have significant foreign currency concentration, thus no financial instruments were used in order to hedge against foreign currency risks.

Additionally, the Group has some operations in Crimea. Currently those entities have Russian rouble as a functional currency. Due to international sanctions, oil price volatilities and weak economy, the Russian rouble is subject to large currency exchange rate volatility. The Group does not hedge against such risk. A 10% change in RUB/EUR currency rate would have a LTL 250 thousand effect in the consolidated financial statements.

(ii) Securities price risk

The Group is not exposed to significant equity securities price risk because it has no material investments in securities or other similar financial instruments outside of the Group. The subsidiaries are owned and controlled directly. The Group influences the results of subsidiaries by directly participating in management of the subsidiaries.

(iii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from variable rate borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates do not expose the Group to cash flow or fair value interest rate risk because all borrowings are carried at amortised cost.

The Group's borrowings include loans with floating interest rate, which is related to EURIBOR and VILIBOR. Most of bank borrowings and finance lease liabilities are repriced each 6 months. Other borrowings are repriced each month or every 12 months. The Group has payables to the State for acquired land and loan from BAB Snoras bank which are with fixed interest rate.

As at 31 December 2014 the Group's bonds were classified with restructured liabilities and had a fixed rate of 10.1%. Trade and other payables are interest-free and have settlement dates within one year.

The Group's cash flow and interest rate risk is periodically monitored by the Group's management. It analyses its interest rate exposure on a dynamic basis taking into consideration refinancing, renewal of existing positions, alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. In 2014, the Group purchased interest rate swap contracts to hedge against floating interest rate. The change in market value (LTL 755 thousand as at 31 December 2014) of this derivative is recognised in the income statement in actual period (see note 28), and accordingly adjusting the borrowings balance.

3.1 Financial risk management (continued)

In 2014, total Group borrowings at variable rates amount to LTL 120.5 million (2013: LTL 42.8 million), LTL 8.4 million (2013: LTL 11.3 million) of which is denominated in LTL, while the remaining LTL 112.1 million (2013: LTL 31.5 million) borrowings are denominated in EUR. If floating rate interest (influenced by EURIBOR or VILIBOR) changed by 1 percentage point, the annual effect on the Group would amount to LTL 1,205 thousand before taxes (2013: LTL 428 thousand).

In 2014, total Company's borrowings at variable rates amount to LTL 5,705 thousand (2013: LTL nil).

Credit risk

Credit risk is managed on a Group basis. Senior management is responsible for credit risk management. Credit risk arises from cash, cash equivalents, and short-term deposits with banks, as well as credit exposures to customers, mainly related to outstanding receivables. Credit risk associated with the cash funds at banks is minimal, as the Group deals with the banks which have high credit ratings established by foreign rating agencies. For customers, the Company sells the majority of its production to wholesalers and has policies in place to ensure that sales of products are made only to customers with an appropriate credit history. The Group always makes an assessment of the credit quality of the customer, taking into account its financial position, past experience and other factors. Credit period is awarded only to a few customers who are well known to the Group and have moderate credit history. The Group has no credit concentration risk as the sales are distributed among several clients. The Group does not use credit insurance and has not established any specific limits for any of the clients.

There were no significant difficulties in collecting accounts receivable from customers or withdrawing cash from banks during the reporting period and the management does not expect any material losses from non-performance by these counterparties.

See notes 12 and 13 for further disclosure on credit risk.

Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group finance. Group finance monitors rolling forecast of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance ratio targets and other material information.

Borrowed capital accounts for a large share of the Group's total capital. The borrowed capital is discussed in detail in note 2.1 Basis of preparation.

The restructuring process and progress is discussed in detail in note 1 and note 19.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance sheet amounts payable within one year reflect fair value of the liabilities, as the influence of discounting is not significant.

GROUP	Payable on demand	Within one year	Within second year	Within third and fourth year	Within fifth year and later
31 December 2014					
Borrowings	-	29,731	39,538	39,899	34,245
Finance lease liabilities	-	6,043	4,701	6,310	602
Restructured amounts	-	15,611	-	-	-
Trade and other payables	-	37,072	-	-	-
Total	**-**	**88,457**	**44,239**	**46,209**	**34,847**
31 December 2013					
Borrowings	-	10,033	17,802	14,997	10,483
Finance lease liabilities	-	974	905	782	23
Restructured amounts	-	-	-	-	-
Trade and other payables	-	12,714	1,339	-	-
Total	**-**	**23,721**	**20,046**	**15,779**	**10,506**

3.1 Financial risk management (continued)

COMPANY	Payable on demand	Within one year	Within second year	Within third and fourth year	Within fifth year and later
31 December 2014					
Borrowings	-	1,141	5,399	-	-
Guarantees issued (note 31)	14,604	-	-	-	-
Finance lease liabilities	-	-	-	-	-
Restructured amounts	-	70,438	-	-	-
Trade and other payables	-	755	-	-	-
Total	**14,604**	**72,334**	**5,399**	**-**	**-**
31 December 2013					
Borrowings	-	-	5,822	-	-
Guarantees issued (note 31)	48,927	-	-	-	-
Finance lease liabilities	-	-	-	-	-
Restructured amounts	-	10,170	62,113	-	-
Trade and other payables	-	320	-	-	-
Total	**48,927**	**10,490**	**67,935**	**-**	**-**

Payable on demand includes guarantees issued by the Group or the Company and those loans which have their covenants breached and were demanded to be paid back by the creditors. Of all the loans with breached covenants, neither one was demanded to be paid back by the creditors. Such loans include borrowing by Baltic Champs UAB from Swedbank, AB, where the Group did not meet debt / EBITDA ratio of 4 as described in the loan agreement. The bank was aware that this ratio was breached as at 31 December 2014; however, appreciating the long-term cooperation, the bank confirmed that it will not apply contractual penalties for non-compliance with the mentioned financial ratio for the year 2014.

As at 31 December 2014 and 2013 the operating capital of the Group was negative and equalled LTL (6,698) thousand, and LTL (3,046) thousand respectively. The liquidity ratio of the Group amounted to 0.93 (2013: 0.88), while quick ratio was 0.55 (2013: 0.44). As at 31 December 2014 and 2013 the operating capital of the Company was negative and equalled LTL (37,956) thousand and LTL (8,148) thousand respectively. The liquidity ratio of the Company amounted to 0.48 (2013: 0.26), while quick ratio was 0.48 (2013: 0.26).

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

As provided in note 1, a number of agricultural entities and the Company are undergoing restructuring, thus the main focus of the Group's management is to guide individual entities through successful restructuring processes for all separate entities and restore the liquidity of the Group. Currently gearing ratio is not being calculated by the Group, as the best capital sufficiency estimate due to legal procedures is the operating cash flow of the Group. The short term goal for the Group is to generate sufficient funds to carry out operations efficiently and profitably and to generate appropriate amounts of revenues and profits in order to pay the accumulated creditors' claims which are currently under restructuring.

Due to the fact that Group companies are under restructuring, the covenants in Bank agreements are no longer calculated or being taken into account for all companies under restructuring except Grūduva UAB (the sole agricultural entity which is not under restructuring) and land management entities. Grūduva UAB meets all the covenants according to its agreements with the banks. Borrowing by Baltic Champs UAB from Swedbank, AB did not meet its covenant regarding debt/EBITDA, but the Group obtained a comfort letter from Swedbank, AB that the bank was aware by the end of 2014 that certain covenants were breached, and, appreciating the long-term cooperation, confirmed that it will not apply contractual penalties for non-compliance with the covenants in 2014 stated in loan agreements.

Pursuant to the Lithuanian Law on Companies the authorised share capital of a joint stock company and private limited liability company must be not less than LTL 100,000 and LTL 10,000, respectively, and the shareholders' equity should not be lower than 50 per cent of the company's registered share capital.

As at 31 December 2014, all Group companies, except ŽŪB Agrowill Eimučiai, ŽŪB Agrowill Žadžiūnai, ŽŪB Agrowill Kairėnai, ŽŪB Agrowill Vėriškės, ŽŪB Agrowill Nausodė, ŽŪB Agrowill Jurbarkai, Žemės vystymo fondas 5 UAB, Baltic Farming Land Management UAB, ŽŪB Žemės fondas, ŽŪB Gustonys, UAB Agro Management team, AWG Investment 2 UAB, Prima Bio Koop UAB, Agrowill Agrotech UAB, Abagrain UAB, Agrosaulė 1 UAB, Agrokreditas UAB, Agrosaulė 3 UAB, Agrosaulė 4 UAB, Agrosaulė 5 UAB, Agrosaulė 6 UAB, Agrosaulė 7 UAB, Agrosaulė 8 UAB, Agrosaulė 9 UAB, Agrosaulė 10 UAB, Agrosaulė 11 UAB, Agrosaulė 12 UAB, Agrosaulė 13 UAB, Agrosaulė 14 UAB, Agrosaulė 15 UAB, Agrosaulė 16 UAB, Agrosaulė 17 UAB, Agrosaulė 18 UAB, Agrosaulė 19 UAB, Agrosaulė 20 UAB, Žalmargėlis ŽŪK, AGRO Ramučiai UAB, and Skėmių PC ŽŪK complied with these requirements.

The Board of such company must convene a shareholders' meeting to solve the problem of capital level. However, there are no sanctions described in the legislation if the board of the company does not take any decisions to meet the capital requirements as per Law on Companies. The Group is not using these externally implied requirements, or any other means for capital management.

3.3 Fair value estimation

The three levels of the fair value hierarchy have been defined as follows:

Level 1 includes the fair value of assets which is established based on quoted prices (unadjusted) in active markets for identical assets.
Level 2 includes the fair value of assets which is established based on other directly or indirectly observable inputs.
Level 3 includes the fair value of assets which is established based on unobservable inputs.

There were no transfers between any levels during the year.

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The carrying value less impairment of trade receivables and payables is assumed to approximate their fair values. The fair value of long-term receivables from subsidiaries from the Company's point of view is evaluated together with equity investments by analysing discounted cash flows of subsidiaries.

The fair value of long-term and short-term borrowings is measured at amortised cost using the effective interest method.

As at 31 December, the Group and the Company had the following structure of interest bearing financial liabilities (taking into account bank and other borrowings, bonds, and finance lease liabilities) (presented at their carrying values):

GROUP	Liabilities with fixed interest rate	Liabilities with floating interest rate
2014		
Loans from financial institutions	14,805	98,285
Restructured liabilities	15,611	-
Finance lease liabilities	-	16,426
Other borrowings	10,404	5,813
Total	**40,820**	**120,524**
2013		
Loans from financial institutions	1,339	40,241
Restructured liabilities	-	-
Finance lease liabilities	-	2,537
Other borrowings	10,000	-
Total	**11,339**	**42,778**

COMPANY	Liabilities with fixed interest rate	Liabilities with floating interest rate
2014		
Other borrowings	667	5,705
Restructured liabilities	70,438	-
Total	**71,105**	**5,705**

	Liabilities with fixed interest rate	Liabilities with floating interest rate
2013		
Other borrowings	5,107	-
Restructured liabilities	67,803	-
Total	**72,910**	**-**

The fair value of non-current borrowings with variable interest rates approximates their carrying amounts. Average effective interest rate of borrowings of the Group with variable rate at 31 December 2014 equals 3.52 per cent (2013: 2.93 per cent).

The fair value of non-current borrowings with fixed interest rate could not be estimated reliably, as main companies of the Group are under restructuring process since 2009. The Group renegotiated the loan terms with bank Snoras (the only fixed interest rate financial institution borrowing) in 2011 extending the loan by 2 years and reducing the fixed interest rate from 13% to 5% (Snoras loan was the last loan taken by the Group in November 2008 – January 2009, i.e. no new loans were taken subsequent to January 2009). Additionally, the same loan was extended for the period of 1 year in 2012, and for 3 additional years in 2013.

3.3 Fair value estimation (continued)

Considering the fact that the loan agreement conditions were renegotiated in the previous reporting period and since then there were no major changes in the market, the management treats the agreed interest rate as the one which approximates market interest rates. The public bonds issued by the Company and accounted for as restructuring liabilities (see notes 18 and 19) had no trade volumes since 2009 so relevant market price is difficult to determine; however, in April 2015 the Company redeemed its bonds for their carrying value. These facts show that as of 31 December 2014 and 31 December 2013 the fair value of the Group's financial liabilities with fixed interest rates is close to their carrying amounts.

3.4 Operational risk

Agricultural market risk

The Group is exposed to several types of agricultural market risks:

Weather conditions
Weather conditions are one of the most important risks involved in agricultural activities. Poor or unfavourable meteorological conditions can have a substantial impact upon yields by negatively affecting harvests and fodder preparation, destroying crop areas etc. In extreme cases, poor weather limits the ability to harvest the fields at all.

The Group management each year decides whether to insure the crops or not. In prior years the insurance conditions were not favourable and it was not useful to insure, as possible compensations for damages received would be less than the insurance expenses incurred. In 2011, the only crop insurance company operating in Lithuania changed its policies and conditions of insurance; therefore, the management insured the most capricious crop – around 2,600 ha of winter rapeseed. In 2013 and 2014, due to significant increase in insurance price (more than 10 per cent of total cost), the crops were not insured.

Prices for agricultural products
The Group's income and operating results depend on such factors beyond the Group's control as prices for agricultural commodities. These prices are largely influenced by different and hardly predictable factors beyond the Group's control (weather conditions, state agricultural policy, changes in global demand caused by demographic changes, changes in living conditions, competing products in other countries).

Usually the Group agrees for crop delivery contracts in spring of each year. The management controls this risk by fixing the price of its crop production (in certain bulk amounts) over the period of time starting April of each year. The management sets internal lowest acceptable crop price level, after reaching which it starts making the crop price fixing contracts.

Animal diseases
Animals can be infected with different viral infections including foot and mouth disease, bovine spongiform encephalopathy etc. Even though the Group complies with the highest sanitary standards in order to prevent diseases, there is no guarantee that the Group's cattle will not be infected for reasons beyond the control of the Group. Although the majority of the Group's cattle are insured, an outbreak of a cattle infection can result in high additional expenses and losses.

State policy and regulation in the agricultural sector
Agriculture, agricultural produce and products placement on the market are strongly affected by state policies and EU regulation. Regulation of agricultural activities manifests itself through the regulation of taxes, tariffs, quotas, subsidies, import and export legislation etc. Any change in this area can exert significant influence over the profitability of agricultural activities, determination of the choice of crops, increase or reduce the volumes of production, import and export of agricultural products.

In addition, any international trade disputes can affect the trade flows, restricting trade among countries or regions. Future policies in this area can have a negative impact upon prices for the agricultural products offered by the Group and upon the Group's opportunities for operating in the market.

The Group's management discusses the possible changes in policies with the Ministry of Agriculture and other official institutions, giving suggestions and comments on State agricultural policies.

The Group controls operations in Crimea through eTime invest UAB group. In March 2014, the Crimean peninsula was annexed by the Russian Federation. In June 2014, and later in December 2014, the European Union imposed sanctions which limit any contacts, financial and consulting cooperation with entities in Crimea, issued bans on export of local production to EU countries. Taking into account all the restrictions, the subsidiary operations in Crimea must work independently, in an unfavourable market conditions which limits the Group's and the Company's ability to earn positive results. As at 31 December 2014, the Group's exposure totals LTL 1 million (LTL 0.4 million of PPE and LTL 0.5 million of crops). The Company has written down the investment in the separate financial statements to LTL nil.

4. 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.

Listed below are the most significant areas that involved management judgement.

Reverse acquisition

In April 2014 AWG was acquired by Baltic Champs Group UAB. AWG issued 102,596,266 new shares, 88,444,014 of which were acquired by Baltic Champs Group UAB by contributing shares of Baltic Champs UAB (hereinafter – BC), the remaining 14,151,252 shares were acquired by Vretola Holdings Limited by contributing shares of eTime invest UAB. The transaction was effected by exchanging shares. During the business combination former shareholders of BC obtained control of more than 50% of Agrowill Group AB shares and received the majority of seats in the Board of Directors; therefore, based on the requirements outlined in International Financial Reporting Standard 3 “Business Combinations” (IFRS 3) such transaction is treated and accounted for as a reverse acquisition.

For accounting purposes, the legal buyer AWG is treated as an accounting acquiree, while Baltic Champs UAB is treated as an accounting acquirer and in effect Baltic Champs UAB prepares consolidated financial statements for itself and its subsidiaries including Agrowill Group AB (its legal owner). This is a key judgement made by management and is pertinent to the financial statements as a whole.

When accounting for this reverse acquisition, the fair value of the net asset of AWG and the fair value of consideration transferred in this reverse acquisition transaction have been used to determine the related goodwill. Details on the determination of the fair value of AWG net asset are provided below. Details on the determination of the fair value of consideration transferred are provided in note 26.

Valuation of property, plant and equipment (except land)

The Group makes an assessment, at least annually, whether there are any indications that construction in progress has suffered any impairment. If that is the case, the Group makes an impairment test in accordance with the accounting policy set out in note 2.5. The recoverable amount of cash-generating units is determined based on value-in-use calculations. As of 31 December 2014 there were no indications that construction in progress might have been impaired.

As PPE in Baltic Champs UAB was contributed by means of capital increase by its shareholders, according to Lithuanian legislation all PPE had to be evaluated by an independent valuer. Such valuation was obtained in August 2013 and used in the transaction. As during a couple of months between August and 31 December 2013 there were no significant events in real estate market, management has concluded that the carrying value of PPE approximates its fair value.

The Group, for the purpose to evaluate whether the fair value of respective assets needs to be adjusted for the accounting period ended 31 December 2014, selected a sample of 50 buildings and an independent valuer provided current market values. The valuations were performed using comparable prices and cost methods. In 2014, the market valuation performed by OBER-HAUS nekilnojamas turtas UAB showed, that there are no material deviations between the carrying values and market values in valuation reports, and no carrying value adjustment was considered needed for the buildings of the Group. The fair value of buildings is attributed to Level 3 in the fair value hierarchy. The valuers used comparable prices valuation method to determine the prices of PPE. Comparable prices are taken from the State registrar, average price of square meter is then calculated and adjusted onto Group’s assets by taking into account differences in buildings age, construction materials, possible liquidity of evaluated items and other items. Had the independent valuers determined average prices of square meter 10% lower, the Group would have experienced around a LTL 15 million impairment charge.

The Group performed various detailed tests for evaluating whether the fair value of its machinery and equipment needed to be adjusted. Similarly, around 50 items of machinery were selected and internal valuation was performed by obtaining market quotes for similar equipment from external sources (international and local sales points). The tests performed showed that current market prices of such equipment are generally higher than carrying amounts as at 31 December 2014. However, market quotes are usually negotiated and decreased and selling costs are not included in the price. Therefore, the management decided to not adjust the values of equipment in the accounts, as those are estimated to approximate the fair values. The fair value of machinery and equipment is attributed to Level 3 in the fair value hierarchy.

Valuation of investment property and cultivated agricultural land

For the reverse acquisition purposes, the Group evaluated the market values of Agrowill Group AB pre- reverse acquisition land portfolio, as the investment property and agricultural land consisted of the land acquired in 2004–2008, as well as land bought from the State in 2013–2014. For analysis purposes, the Group took data of sales of its investment property. For each region an average score and size was identified, and later these results were extrapolated to the remaining portfolio parcel by parcel, with some minor discount rate added to reflect the fall in prices of agricultural commodities. The management decreased the price per Ha of parcel if its size was lower (up to 15 per cent) than the average of sales data, while increases (up to 30 per cent) were added for those which exceeded the average figures. Similarly, coefficient between 0.85 and 1.30 was used to adjust for differences of certain land plots and average data of sold land plots. The discount rate of 25% was later applied to all calculations as the management took into account the downward trends in the commodities markets (milk and grains), and possibility for a quick sale.

4. Critical accounting estimates and assumptions (continued)

Obtained market values of investment property were used in determining the fair values in the reverse acquisition.

In 2014, the Group started selling land parcel by parcel, and in total around 2,600 ha were sold during the year. As sales prices were in line with the valuations performed at the beginning of 2014, no additional adjustments to the fair value to investment property and agricultural land were considered necessary. The fair value of investment property is attributed to Level 3 in the fair value hierarchy. 1% change in the value of 1 ha of land equals to around LTL 0.9 million of change in the total land portfolio held by Group (own cultivated land plus investment property average price per Hectare totals around LTL 9,100).

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 2014: LTL 43,677 thousand, value at 31 December 2013: LTL 3,918 thousand). Due to the specifics of the agricultural production, fair value of some animal groups cannot 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 the 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.

For valuation of livestock the Group calculates the fair value by taking the average price of meat per kilo. The lowest values represent the value of old cows sold to meat processors, while the highest value is equal to the price of 1 kilo of pregnant heifer just before its first calving. For remaining groups of animal, the value of livestock is determined by using the market values of meat (different for different groups of animals) and multiplying the price of 1kg by the total weight of specific group of animals.

For valuation purposes, the average value of 1 animal was adjusted based on prevailing market prices for raw milk. The average value of 1 animal (milking cow) was determined at LTL 3,500.

Crops are valued at the year-end at the prevailing market prices less estimated costs to sell. 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 transactions performed in own and neighbouring farms.

Mycelium growth medium is evaluated based on input prices, which are used to produce the substance. The average prices of main components were compared to the market prices available in Lithuania. As no significant deviations were noted, it was concluded that no adjustment to carrying values was needed.

Were the actual prices for the biological assets higher by 10% from management's estimates, the revaluation results for 2014 would be better by LTL 4,211 thousand, if the prices were lower by 10%, the net profit would decrease by LTL 4,206 thousand.

Restructuring of liabilities (Group and Company)

For calculating the amortised cost of financial liabilities that are renegotiated in the restructuring process, the management determines the discount rate by using the interest rates of last applicable bank loans and leasing liabilities. In case the Group's and Company's transactions with external parties were made in earlier periods, management analyses the impact of market trends in interest rates since the transaction, as well as assesses the potential impact of change in the Group's and the Company's credit risk. Management has estimated that the appropriate discount rate is 10.1%. The applicable interest rate was calculated by taking the interest rate of bonds issued by the Company in 2008 (14 per cent), subtracting the July 2008 Euribor rate and adding Euribor rate at the moment of debt extinguishment. As at 31 December 2014, all remaining restructuring debt is shown at nominal values, as final payments in remaining Restructuring cases are planned for 2015.

Estimates concerning useful lives of property, plant and equipment

The useful lives of property, plant and equipment are determined by management at the time the asset is acquired and reviewed on an annual basis for appropriateness. The lives are based on historical experiences with similar assets as well as anticipation of future events, which may impact their life.

Income taxes

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

The Group and the Company had accumulated tax losses amounting to LTL 71.3 million and LTL 13.7 million, respectively, as at 31 December 2014 (note 21). Management recognises a deferred tax asset for separate companies' tax losses only when possible future returns can be reliably estimated. As at 31 December 2014, the Group and the Company had accumulated tax losses carried forward for which no deferred tax asset was created in the amount of LTL 13.7 million and LTL 13.7 million, respectively. Despite the fact that taxable losses are carried forward indefinitely, when analysing future taxable profits management uses reasonable number of foreseeable years in the future, and for most deferred tax asset estimates it does not extend further than year 2019.

4. Critical accounting estimates and assumptions (continued)

Impairment of investment in subsidiaries (Company)

As at 31 December 2014 and 2013, the management of the Company has performed testing of cost of investment in subsidiaries and receivables from subsidiaries for impairment. As a key test, management has compared cost of investment in a particular subsidiary with net assets of that subsidiary as at 31 December 2014 and 2013. If net assets are higher than cost of investment, management decided that no impairment is needed. If net assets are lower than cost of investment, management has estimated the recoverable amount of a particular subsidiary using value-in-use calculations. Main assumptions used in VIU calculations: pre-tax discount rate of 10%, growth to perpetuity 5%. The management assumes that subsidiaries will not need additional working capital, for the foreseeable future no corporate income tax will be paid, and capital investments will be limited to approximate annual depreciation charges of the Group. These calculations in turn are based on discounted cash flows that the particular subsidiary is able to generate, and result was again compared to the cost of investment into that particular subsidiary. According to these calculations the management decided to account for an impairment loss for the cost of investment in the Company's subsidiaries amounting to LTL 22,042 thousand.

For consideration regarding going concern see note 2.1.

5. Property, plant and equipment

GROUP	Land	Buildings	Constructions and machinery	Vehicles, equipment and other property, plant and equipment	Construction in progress	Total
Carrying amount						
As at 31 December 2012	**-**	**-**	**-**	**-**	**-**	**-**
- additions	-	100,361	9,004	3,118	-	112,483
- disposals and write-offs	-	-	-	-	-	-
- depreciation	-	(777)	(287)	(68)	-	(1,132)
- reclassifications	-	-	-	-	-	-
As at 31 December 2013	**-**	**99,584**	**8,717**	**3,050**	**-**	**111,351**
- additions	1,607	437	5,081	1,249	451	8,825
- disposals and write-offs	(83)	(1,001)	(153)	(611)	(192)	(2,040)
- acquisition of subsidiaries (note 26)	42,663	67,119	46,562	3,356	711	160,411
- depreciation	-	(6,429)	(8,213)	(1,311)	-	(15,953)
- currency exchange differences	-	153	-	-	-	153
- reclassifications	-	435	(854)	861	(442)	-
As at 31 December 2014	**44,187**	**160,298**	**51,140**	**6,594**	**528**	**262,747**
Acquisition cost as at						
31 December 2012	-	-	-	-	-	-
31 December 2013	-	100,361	9,004	3,118	-	112,483
31 December 2014	44,187	194,281	118,902	14,256	528	372,154
Accumulated depreciation and impairment losses as at						
31 December 2012	-	-	-	-	-	-
31 December 2013	-	(777)	(287)	(68)	-	(1,132)
31 December 2014	-	(33,983)	(67,762)	(7,662)	-	(109,407)
Carrying amount as at 31 December 2012	**-**	**-**	**-**	**-**	**-**	**-**
Carrying amount as at 31 December 2013	**-**	**99,584**	**8,717**	**3,050**	**-**	**111,351**
Carrying amount as at 31 December 2014	**44,187**	**160,298**	**51,140**	**6,594**	**528**	**262,747**

As at 31 December 2014 the property, plant and equipment with the carrying amount of LTL 190,509 thousand (2013: LTL 99,794 thousand) have been pledged as security for bank borrowings. The leased assets are pledged as collateral according to the finance lease agreements.

COMPANY	Vehicles	Equipment and other property, plant and equipment	Total
Carrying amount			
As at 31 December 2012	**11**	**71**	**82**
- additions	109	41	150
- disposals and write-offs	-	(2)	(2)
- depreciation	(13)	(34)	(47)
As at 31 December 2013	**107**	**76**	**183**
- additions	37	110	147
- disposals and write-offs	-	(1)	(1)
- depreciation	(18)	(43)	(61)
As at 31 December 2014	**126**	**142**	**268**
Acquisition cost as at			
31 December 2013	135	261	396
31 December 2014	172	370	542
Accumulated depreciation and impairment losses as at			
31 December 2013	(28)	(185)	(213)
31 December 2014	(46)	(228)	(274)
Carrying amount as at 31 December 2013	**107**	**76**	**183**
Carrying amount as at 31 December 2014	**126**	**142**	**268**

5. *Property, plant and equipment (continued)*

As at December 31 the carrying amount of the Group's property, plant and equipment acquired under finance lease consisted of the following:

Constructions and machinery	2014	2013
Acquisition cost / revalued amount	25,267	2,923
Less: accumulated depreciation	(3,306)	(143)
Carrying amount	**21,961**	**2,780**

Should no revaluations of property, plant and equipment had taken place, carrying amounts would have been the following:

	Land	Buildings	Constructions and machinery	Vehicles, equipment and other property, plant and equipment	Construction in progress	Total
Carrying amount of PPE without revaluation effect as at 31 December 2013	-	99,584	8,717	3,050	-	111,351
Carrying amount of PPE without revaluation effect as at 31 December 2014	44,187	160,298	51,140	6,594	528	262,747

The major part of property, plant and equipment has been acquired through the reverse acquisition transaction which took place on 1 April 2014 and was recognized at its fair value. Since then no adjustments to carrying value of property, plant and equipment were necessary (except depreciation); therefore, the carrying value of the assets is the same as the one without revaluation effect.

6. *Investment property*

As at 31 December the Group's investment property consisted of the following:

	Agricultural land
Fair value	
as at 31 December 2012	**-**
- acquisitions of land	-
- sales of land	-
as at 31 December 2013	**-**
- acquisitions of land	154
- acquisition of subsidiaries (note 26)	66,252
- sales of land	(22,117)
as at 31 December 2014	**44,289**

The investment property of the Group consists of agricultural land plots.

As at 31 December 2014, the Group had ownership rights to around 9,700 ha of land in total, accounted under PPE and investment property. Approximately 5,700 ha of them was used by the Group and therefore accounted for as PPE, see note 5 above, and around 3,500 ha is rented out to third persons and companies, and approximately 500 ha were held for capital appreciation as at 31 December 2014.

In 2014, the Group sold around 2,600 ha of land to different farmers and agricultural entities. The Group recognised a profit of LTL 3,969 thousand from such transactions.

Change in fair value of investment property

The major part of the investment property has been obtained through the reverse acquisition transaction, which took place on 1 April 2014 and was recognized at its fair value. Since then no significant changes in the fair value of investment property have occurred; therefore, no change in the fair value of investment property was recognised in 2014. Methods used to determine the valuations of investment property are disclosed in note 4.

7. Investments in subsidiaries

For the year ended 31 December, the movement of the Company's investments was the following:

	2014	2013
As at 1 January	**113,608**	**113,747**
Capitalization of long-term receivables from subsidiaries	5,843	-
Transfer of impairment charge of receivables from subsidiaries	(3,320)	-
Acquisition of subsidiaries / additional acquisitions	110,930	61
Disposal of subsidiaries (note 26)	(2,392)	(200)
Impairment loss	(22,042)	-
As at 31 December	**202,627**	**113,608**

In April 2014, the Company acquired investments in Baltic Champs UAB (LT 88,500 thousand), eTime invest UAB (LTL 16,700 thousand), Luganta UAB (LTL 5,348 thousand), and AGRO Ramučiai UAB (LTL 357 thousand) (see note 26 for more details). During the year 2014 there were some other minor investments (LTL 25 thousand).

As at 31 December 2014, the Company made impairment tests on investment into subsidiaries, as described in note 4, and impairment loss of LTL 22,042 thousand was booked in the financial statements. The major part of impairment loss recognized relates to impairment for the investment in eTime invest UAB (LTL 16,700 thousand), which holds investment in Crimea.

Total impairment of investment in subsidiaries as at 31 December 2014 amounted to LTL 37,462 thousand (31 December 2013: LTL 12,100 thousand).

8. Available for sale investments

For the year ended 31 December the Group's financial assets consisted of the following:

	2014	2013
As at 1 January	**-**	**-**
Acquisition of investments	382	-
Sale of investments	-	-
As at 31 December	**382**	**-**

9. Intangible assets

As at 31 December the Group's intangible assets consisted of the following:

GROUP	**Software**	**Other intangible assets**	**Total**
Carrying amount			
As at 31 December 2012	**-**	**-**	**-**
- additions	2	-	2
- disposals	-	-	-
- amortization	-	-	-
As at 31 December 2013	**2**	**-**	**2**
- additions	1	488	489
- acquisitions of subsidiaries (note 26)	86	278	364
- disposals	(6)	-	(6)
- amortization	(1)	(136)	(137)
As at 31 December 2014	**82**	**630**	**712**
Carrying amount as at 31 December 2012	**-**	**-**	**-**
Carrying amount as at 31 December 2013	**2**	**-**	**2**
Carrying amount as at 31 December 2014	**82**	**630**	**712**

The amortization of intangible assets is included in Operating expenses.

9. Intangible assets (continued)

As at 31 December the Company's intangible assets consisted of the following:

COMPANY	Software	Other intangible assets	Total
Carrying amount			
As at 31 December 2012	**87**	**-**	**87**
- additions	67	-	67
- amortization	(51)	-	(51)
As at 31 December 2013	**103**	**-**	**103**
- additions	50	-	50
- amortization	(73)	-	(73)
As at 31 December 2014	**80**	**-**	**80**
Carrying amount			
As at 31 December 2012	**87**	**-**	**87**
As at 31 December 2013	**103**	**-**	**103**
As at 31 December 2014	**80**	**-**	**80**

10. Biological assets

For the year ended 31 December the Group's biological assets consisted of the following:

	2014	2013
Livestock	21,964	-
Mycelium cultivation seedbed	3,710	3,918
Perennial plantations	1,272	-
Total non-current	**26,946**	**3,918**
Crops	16,731	-
As at 31 December	**43,677**	**3,918**

The Group's livestock quantity (units) consisted of the following:

	Milk cows	Heifers	Other livestock	Total
As at 31 December 2012	**-**	**-**	**-**	**-**
Additions	-	-	-	**-**
Increase (birth)	-	-	-	**-**
Transfers between groups	-	-	-	**-**
Sales	-	-	-	**-**
Write offs and natural mortality	-	-	-	**-**
As at 31 December 2013	**-**	**-**	**-**	**-**
Acquisitions via subsidiaries	3,061	3,106	1,473	**7,640**
Additions	-	60	-	**60**
Increase (birth)	-	1,183	1,314	**2,497**
Transfers between groups	982	(982)	-	**-**
Sales	(672)	(155)	(1,141)	**(1,968)**
Write offs and natural mortality	(81)	(107)	(110)	**(298)**
As at 31 December 2014	**3,290**	**3,105**	**1,536**	**7,931**

10. Biological assets (continued)

The Group's livestock value consisted of the following:

	Milk cows	Heifers	Other livestock	Total
As at 31 December 2012	-	-	-	-
Additions	-	-	-	-
Increase (birth)	-	-	-	-
Makeweight	-	-	-	-
Transfers between groups	-	-	-	-
Sales	-	-	-	-
Write offs and natural mortality	-	-	-	-
Gain (loss) arising from changes in the fair value of biological assets (note 23)	-	-	-	-
As at 31 December 2013	-	-	-	-
Acquisitions via subsidiaries (note 26)	11,121	7,942	2,297	**21,360**
Increase (birth)	-	242	284	**526**
Makeweight	-	5,162	2,860	**8,022**
Transfers between groups	4,712	(4,712)	-	-
Sales	(2,411)	(495)	(1,845)	**(4,751)**
Additions	-	52	-	**52**
Write offs and natural mortality	(287)	(74)	(52)	**(413)**
Gain (loss) arising from changes in the fair value of biological assets (note 23)	(1,619)	(291)	(922)	**(2,832)**
As at 31 December 2014	**11,516**	**7,826**	**2,622**	**21,964**

The fair value of livestock is attributed to Level 3 in the fair value hierarchy. See note 4 for more details.

The Group's crops consisted of the following:

2014	Winter crops	Winter rapeseed	Summer crops (including feed)	Perennial plantations	Total
Total ha planted (land prepared)	7,681	2,832	16,357	165	**27,035**
Total expenses incurred	7,211	3,116	6,404	1,272	**18,003**
Average expenses per 1 ha (LTL)	939	1,100	392	7,709	**666**

2013	Winter crops	Winter rapeseed	Summer crops (including feed)	Perennial plantations	Total
Total ha planted (land prepared)	-	-	-	-	-
Total expenses incurred	-	-	-	-	-
Average expenses per 1 ha (LTL)	-	-	-	-	-

The movement of biological assets (other than livestock) of the Group was the following:

	Mycelium cultivation seedbed	Perennial plantations	Crops
Type of biological assets	**Long-term**	**Long-term**	**Short-term**
Balance as at 31 December 2012	**-**	**-**	**-**
Acquired balances	3,064	-	-
Sowing and other expenses until harvest	854	-	-
Harvest of crops	-	-	-
Autumn sowing and land preparation for spring	-	-	-
Balance as at 31 December 2013	**3,918**	**-**	**-**
Acquisition of subsidiaries (note 26)	-	467	22,668
Sowing and other expenses until harvest	50,681	805	47,105
Harvest of (mushrooms) crops	(50,889)	-	(69,773)
Autumn sowing and land preparation for spring	-	-	16,731
Balance as at 31 December 2014	**3,710**	**1,272**	**16,731**

10. Biological assets (continued)

At the point of harvest the Group management determines the prices of crop cultures harvested by examining the market prices of particular crops at the point of harvest, less the costs associated with point of sale. In 2014 the Group's harvest amounted to 64,006 tons of grains and rapeseed.

The fair value of crops is attributed to Level 3 in the fair value hierarchy. As at 31 December 2014 cost was used as an approximation of the fair value of crops as only little biological transformation has taken place since initial cost incurrence, e.g. within a short time after seeding the crops. The costs comprise fertilizer and chemical expenses, labour costs, machinery depreciation and repairs expenses. No variable unobservable inputs in measurement of crops were used by the management.

11. Inventory

As at December 31 the Group's inventories consisted of the following:

	2014	**2013**
Finished goods (agricultural produce)	21,574	-
Raw materials	15,810	10,622
Total	**37,384**	**10,622**
Less: Change in net realizable value of agricultural produce	(1,817)	-
Carrying amount	**35,567**	**10,622**

No inventory balances are pledged as security for loans. Finished goods representing agricultural produce are reported at fair value, which is attributed to Level 2 in the fair value hierarchy.

12. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

Financial assets of the Group as per balance sheet as at 31 December:	**2014**	**2013**
Non-current trade and other receivables	-	-
Available-for-sale non-current financial assets	382	-
Current trade and other receivables	26,854	9,771
Cash and cash equivalents	3,639	527
Total	**30,875**	**10,298**
Financial liabilities of the Group as per balance sheet as at 31 December:		
Borrowings	129,307	51,580
Finance lease liabilities	16,426	2,537
Restructured liabilities	15,611	-
Trade payables	35,823	12,714
Other payables and current liabilities	1,249	-
Total	**198,416**	**66,831**

Financial assets of the Group include all current and non-current receivables and other receivables as per balance sheet of the Group except for advances made and receivable VAT from the State. Non-current financial assets are the shares and interests held in other Lithuanian companies, which shares are not publicly traded. The Group keeps all cash balances with the banks which have Standard&Poors or Fitchratings long-term credit rating of A.

Financial liabilities of the Group include all current and non-current liabilities as per balance sheet of the Group except for advances received, deferred capital grants, payroll related liabilities and deferred tax. All financial liabilities are carried out at amortised cost.

The Group operates in agricultural commodities producing market. There are small number of grain traders and milk refineries operating in Lithuania, so the Group determines concentration risk based on segment of operations. As at 31 December 2014, there was LTL 15,111 thousand receivable for sold mushrooms (2013: LTL 9,354 thousand) of which around LTL 11.4 million was recovered during the next three months. Also, the Group had a receivable of LTL 2,010 thousand for sold grain, and around LTL 1,547 thousand receivable from milk buyers, which was fully recovered on due time in January 2015.

12. Financial instruments by category (continued)

Financial assets of the Company as per balance sheet as at 31 December:	**2014**	**2013**
Non-current trade and other receivables	2,870	12,347
Current trade and other receivables	34,623	2,000
Cash and cash equivalents	14	23
Total	**37,507**	**14,370**

Financial liabilities of the Company as per balance sheet as at 31 December:		
Borrowings	6,372	5,107
Restructured liabilities	70,438	67,803
Trade payables	755	320
Total	**77,565**	**73,230**

Financial assets of the Company include all current and non-current receivables and other receivables as per balance sheet of the Company except for advances made and receivable VAT from the State. The Company keeps all cash balances with the banks which have Standard&Poors or Fitchratings long-term credit rating of A.

Financial liabilities of the Company include all current and non-current liabilities as per balance sheet of the Company except for advances received, accruals, and payroll related liabilities.

Credit quality of financial assets

As at 31 December, the Group's financial assets had the following structures:

Year 2014	**Not overdue**		**Overdue, but not impaired**		**Impaired**	**Total**
	A/R with no history of overdue payments in the past	A/R with history of overdue payments in the past	1–30 days overdue	31–90 days overdue	Overdue 90 days and more	
Total trade accounts receivable, gross	-	19,321	2,009	72	2,081	23,483
Impairment charge	-	-	-	-	(1,642)	(1,642)
Total trade accounts receivable, net	**-**	**19,321**	**2,009**	**72**	**439**	**21,841**
Receivables from NPA	3,894	-	-	-	-	3,894
Receivables from employees	-	16	-	-	-	16
Non-current receivables, gross	-	-	-	-	-	-
Impairment charge attributable to non-current receivables	-	-	-	-	-	-
Other receivables	-	750	-	-	353	1,103
Total	**3,894**	**20,087**	**2,009**	**72**	**792**	**26,854**

Year 2013	**Not overdue**		**Overdue, but not impaired**		**Impaired**	**Total**
	A/R with no history of overdue payments in the past	A/R with history of overdue payments in the past	1–30 days overdue	31–90 days overdue	Overdue 90 days and more	
Total trade accounts receivable, gross	-	7,025	975	1,313	41	9,354
Impairment charge	-	-	-	-	-	-
Total trade accounts receivable, net	**-**	**7,025**	**975**	**1,313**	**41**	**9,354**
Receivables from NPA	-	-	-	-	-	-
Receivables from employees	-	-	-	-	-	-
Non-current receivables, gross	-	-	-	-	-	-
Impairment charge attributable to non-current receivables	-	-	-	-	-	-
Other receivables	-	417	-	-	-	417
Total	**-**	**7,442**	**975**	**1,313**	**41**	**9,771**

Receivables from the National Payment Agency are the direct subsidies receivable for crops and milk, which are due by 30 April of the following year.

12. *Financial instruments by category (continued)*

As at 31 December, the Company's financial assets had the following structures:

Year 2014	**Not overdue**		**Overdue, but not impaired**		**Impaired**		**Total**
	A/R with no history of overdue payments in the past	A/R with history of overdue payments in the past	1–30 days overdue	31–90 days overdue	Not overdue	Overdue 90 days and more	
Total trade accounts receivable	-	34,605	-	-	-	-	34,605
Receivables from employees	-	-	-	-	-	-	-
Other current receivables	-	18	-	-	-	-	18
Non-current receivables, gross	-	2,870	-	-	-	-	2,870
Impairment charge attributable to non-current receivables	-	-	-	-	-	-	-
Total	**-**	**37,493**	**-**	**-**	-	**-**	**37,493**

Year 2013	**Not overdue**		**Overdue, but not impaired**		**Impaired**		**Total**
	A/R with no history of overdue payments in the past	A/R with history of overdue payments in the past	1–30 days overdue	31–90 days overdue	Not overdue	Overdue 90 days and more	
Total trade accounts receivable	-	1,996	-	-	-	-	1,996
Receivables from employees	-	4	-	-	-	-	4
Non-current receivables, gross	-	12,347	-	-	3,320	-	15,667
Impairment charge attributable to non-current receivables	-	-	-	-	(3,320)	-	(3,320)
Total	**-**	**14,347**	**-**	**-**	-	**-**	**14,347**

In 2014 impairment charge attributable to non-current receivables was transferred to impairment of subsidiaries.

13. *Trade receivables, advance payments and other receivables*

As at December 31 the trade receivables, advance payments and other receivables consisted of the following:

	GROUP		**COMPANY**	
	2014	**2013**	**2014**	**2013**
Trade receivables	23,483	9,354	34,605	1,996
Subsidies and grants receivable from NPA	3,894	-	-	-
VAT receivable	773	624	-	-
Advance payments and deferred expenses	2,892	-	240	754
Accounts receivable from private individuals	16	-	-	4
Other receivables	1,103	417	18	-
Total	**32,161**	**10,395**	**34,863**	**2,754**
Less: allowance for doubtful financial assets	(1,642)	-	-	-
Less: allowance for non-financial receivables	-	-	-	-
Carrying amount	**30,519**	**10,395**	**34,863**	**2,754**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

Trade receivables that are less than 30 days past due are not considered impaired. Impairment charges on amounts receivable are recognized after 90 days past due. As at 31 December 2014 and 2013, some of the trade receivables are past due, for which impairment allowances are made.

In the opinion of the Group's management, the carrying amounts of all other trade receivables, advance payments and other receivables approximate their fair values.

13. Trade receivables, advance payments and other receivables (continued)

The movement of impairment allowance for doubtful receivables consisted of the following:

	GROUP		COMPANY	
	2014	2013	2014	2013
Carrying amount as at 1 January	-	-	-	-
Acquisition of subsidiaries	(968)	-	-	-
Allowance for doubtful receivables (note 25)	(674)	-	-	-
Write-offs of bad receivables	-	-	-	-
Carrying amount as at 31 December	**(1,642)**	-	-	-

14. Long-term receivables

As at 31 December the long-term receivables of the Company consisted of the following:

	2014	2013
Loans to subsidiaries		
Land management entities	3	41
Agricultural entities	2,867	8,458
Trade companies and SPV's	-	7,323
Loans to 3rd parties	-	22
Total	**2,870**	**15,844**
Less: amounts cancelled in connection with approved restructuring plans	-	(177)
Less: impairment for doubtful receivables	-	(3,320)
Total long term receivables	**2,870**	**12,347**

In 2014 impairment charge attributable to non-current receivables was transferred to impairment of subsidiaries.

15. Cash and cash equivalents

As at 31 December the Group's cash and cash equivalents consisted of the following:

	GROUP		COMPANY	
	2014	2013	2014	2013
Cash in banks	3,538	522	14	23
Cash on hand	101	5	-	-
Carrying amount	**3,639**	**527**	**14**	**23**

16. Share capital

The share capital of separate Agrowill Group AB as at 1 January 2013 and 31 December 2013 was LTL 84,820,986. In April 2014, the Company issued 102,595,266 new shares, with LTL 1 nominal value each, from which 88,444,014 were paid up by contributing 100 percent of Baltic Champs UAB shares, and the remaining 14,151,252 by contributing 100 percent of eTime Invest UAB shares. Both companies are incorporated in Lithuania. The fair value of Baltic Champs UAB and eTime invest UAB group shares was determined based on an independent valuer report, as required by the laws and comprises LTL 88,500 thousand and LTL 16,700 thousand accordingly. The Law on Companies of the Republic of Lithuania requires that the nominal value of issued and subscribed shares cannot exceed the value of the non-monetary contribution. These shares have been reflected by the management in the financial statements as LTL 16,700 thousand and LTL 16,700 thousand investment in subsidiary, LTL 88,444 thousand and LTL 14,151 thousand increase in share capital, LTL 56 thousand and LTL 2,548 thousand share premium accordingly.

The share capital of the company Agrowill Group AB as at 31 December 2014 is LTL 187,416,252. The share capital is divided into 84,820,986 and 187,416,252 ordinary shares respectively. Each issued share has a LTL 1 nominal value and fully paid. Each share has usual material and intangible rights as per Law on Companies of the Republic of Lithuania and the Company's statutes.

16. Share capital (continued)

A legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfer of 5% of net profit, calculated in accordance with Lithuanian regulatory legislation on accounting, is compulsory until the reserve including share premium reaches 10% of the share capital. The legal reserve can be used to cover the accumulated losses. The legal reserve of the Company equalled LTL 2,000 thousand as at 31 December 2014 and 2013.

The share capital of consolidated Agrowill Group AB as at 1 January 2013 and 31 December 2013 is the share capital of Baltic Champs UAB (accounting acquirer). The share capital as at 1 January 2013 was LTL 0. Share capital of LTL 10,000 was paid in 3 January in 2013. After that, in October and November 2013 it was increased by LTL 57,500,000 and LTL 5,400,000 respectively. As at 31 December 2013, the share capital of consolidated Agrowill Group AB was LTL 62,910,000. The share capital was made up of 88,444,014 shares, which is the number of shares issued by the legal parent in the reverse acquisition transaction.

In April 2014 the share capital of the Group was increased to reflect the reverse acquisition transaction. The share capital increase of LTL 89,360,000 represents the estimated fair value of the consideration transferred by Baltic Champs Group UAB in the reverse acquisition. See note 26 for more details.

The adjusted share capital of consolidated Agrowill Group AB is LTL 152,270,000 as at 31 December 2014. The share capital is divided into 187,416,252 ordinary shares, which is the number of shares issued by the Company as at 31 December 2014.

17. Grants

For the year ended as at 31 December the movement of grants and subsidies of the Group consisted of the following:

	2014	2013
Carrying amount as at 1 January	**-**	**-**
Grants, subsidies received	1,029	-
Acquisition of subsidiaries (note 26)	13,499	-
Release of grants related to property, plant and equipment to income	(1,327)	-
Carrying amount as at 31 December	**13,201**	**-**

18. Borrowings

As at 31 December the Group's long-term borrowings consisted of the following:

	2014	2013
Borrowings from banks		
Mushroom growing companies	41,242	48,241
Land management entities	33,363	-
Agricultural entities	30,549	-
Agricultural cooperatives	735	-
Long-term payment to 3rd parties		
Long-term payable to the State for land purchased	6,837	-
Long-term payable to creditors	18,944	1,339
Total	**131,670**	**49,580**
Less: amounts payable within one year (according to agreements)	(15,919)	(7,000)
Less: amounts under approved restructuring plans (note 19)	(10,363)	-
Total long-term borrowings	**105,388**	**42,580**

The loans received by the entities the restructuring plans of which are approved, are classified as restructured liabilities in the balance sheet. Such loans amount to LTL 1,252 thousand as at 31 December 2014.

As at 31 December 2014, some of the companies of the Group had some of the covenants of certain loan agreements breached, the amount of such loans was LTL 41,242 thousand as at 31 December 2014. This amount was not reclassified to current borrowings as at 31 December 2014 as the bank was aware by the end of 2014 that certain covenants were breached, and, appreciating the long-term cooperation, confirmed that it will not apply contractual penalties for non-compliance with the covenants in 2014 stated in loan agreements.

The Group owes payable amount to the State of LTL 6,837 thousand for land acquisition made by the Group in 2008–2014. The payable amount to the State is over 15-year period. Long-term payable to creditors consists of the following: LTL 9,111 thousand – amounts under approved restructuring plans (LTL 5,454 thousand payable to Tax authorities, LTL 1,706 thousand – to Social Security agency, LTL 1,951 thousand – to trade creditors), LTL 6,986 thousand – loans from other entities and private persons (mainly (LTL 6,223 thousand) – from related party) and LTL 2,847 thousand – long-term payables to trade creditors.

18. Borrowings (continued)

The Group signed two interest rate swap derivatives in 2014 to fix interest rates for the loans amounting to LTL 26,898 thousand. The transactions were accounted for at fair value of LTL 755 thousand and this amount was added to the long-term borrowings as at 31 December 2014. Swaps are valid until March 2019.

Average interest rate for borrowings from banks amounted to 3.42% in 2014 (in 2013 – 2.89%), for other financial borrowings – 5.29% (in 2013 – 0%).

All loans taken by the Group are secured either by PPE (note 5), or with investment property (note 6). Loans taken by agricultural entities have their livestock (note 10) pledged as collateral.

As at 31 December the Group's short-term borrowings were the following:

	2014	2013
Borrowings from banks		
Mushroom growing companies	8,000	2,000
Bonds issued by the Company, original maturity in 2009	5,248	-
Borrowings from legal entities by the Group	-	-
Total	**13,248**	**2,000**
Less: amounts under approved restructuring plans (note 19)	(5,248)	-
Total short-term borrowings	**8,000**	**2,000**

Short-term loans from banks include LTL 8,000 thousand overdraft facility.

The long-term borrowings and payables are repayable as follows:	2014	2013
Within second year	36,291	18,339
Within third and fourth year	35,905	14,000
After fifth year and later	33,192	10,241
Total	**105,388**	**42,580**

As at 31 December the Company's long-term borrowings consisted of the following:

	2014	2013
Borrowings from subsidiaries		
Land management entities	39,542	39,542
Agricultural entities	21,334	25,774
Payable to creditor	5,705	-
Trade companies and SPV's	4	4
Total	**66,585**	**65,320**
Less: amounts under approved restructuring plans (note 19)	(60,213)	(60,213)
Less: amounts payable within one year (according to agreements)	(1,141)	-
Total long-term borrowings	**5,231**	**5,107**

As at 31 December 2014 and 2013 the restructuring plan of the Company was approved and most of the financial liabilities of the Company were reclassified to restructured liabilities.

As at 31 December the Company's short-term borrowings were the following:	2014	2013
Bonds issued by the Company, original maturity in 2009	6,054	7,164
Total	**6,054**	**7,164**
Less: amounts under approved restructuring plans (note 19)	(6,054)	(7,164)
Total short-term borrowings	**-**	**-**

After sale of 3 land management entities in 2013, part of the proceeds (LTL 1.5 million) were directed to cover bonds issued, as the shares of the land management entities were pledged.

18. Borrowings (continued)

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

	2014	2013
Within second year	4,564	-
Within third and fourth year	667	5,107
After fifth year and later	-	-
Total	**5,231**	**5,107**

Certain shares of subsidiaries (note 7) of the Company were pledged to the bond holders as collateral to secure the loans payable. The pledged shares include shares of all agricultural entities except for UAB Grūduva and all land management entities.

19. Restructured liabilities

The Group

In 2009, the Group initiated 15 restructuring processes – 14 for subsidiary agricultural entities and for the Company. In 2010, the first restructuring plans were approved, in 2011 – all remaining ones, and the creditors agreed to be paid back the overdue amounts in the following schedule: 1st year and 2nd year – 0%, 3rd year – 15% and 4th year – 85% (see note 1 for details).

The restructured liabilities as at 31 December consist of the following:

	2014	2013
Long-term borrowings (note 18)	10,363	-
Short-term financial liabilities (note 18)	5,248	-
Total restructured liabilities	**15,611**	**-**

The restructured liabilities are repayable as follows:

	2014	2013
Within first year	15,611	-
Within second year	-	-
After third and fourth year	-	-
Total	**15,611**	**-**

The Company

In 2009, the management of the Company initiated restructuring processes. In 2011, the restructuring plan of the Company was approved, and the creditors agreed to be paid back the overdue amounts in the following schedule: year 2012 – 0%, year 2013 – 0%, year 2014 – 15% and year 2015 – 85% (see note 1 for details). In the balance sheet as at 31 December 2014, the Company made certain reclassifications from long-term liabilities and short-term liabilities in order to present restructured liabilities separately.

The restructured liabilities as at 31 December consist of the following:

	2014	2013
Long-term borrowings (note 18)	60,213	60,213
Short-term financial liabilities (note 18)	6,054	7,164
Trade and other payables	4,171	4,906
Total before debt extinguishment	**70,438**	**72,283**
Less: gain from debt extinguishment from amounts owed to related parties	(15,426)	(15,426)
Less: gain from debt extinguishment from amounts owed to 3rd parties	(4,254)	(4,254)
Add: interest expense	19,680	15,200
Total restructured liabilities	**70,438**	**67,803**
Including:		
Total restructured liabilities owed to related parties	60,213	56,704
Total restructured liabilities owed to 3rd parties	10,225	11,099
	70,438	**67,803**

19. Restructured liabilities (continued)

The Company amortised restructured liabilities by applicable interest rates (bank loans by actual interest rate set, and trade and other liabilities by 10.1% (rate described in note 4)). The gain on extinguished amount was presented in the income statement as other income, while amortization of this gain has been included in interest expenses over the 4-year period.

The restructured liabilities are repayable as follows:

	2014	**2013**
Within first year	70,438	10,170
Within second year	-	57,633
After third and fourth year	-	-
Total	**70,438**	**67,803**

On 7–9 April 2015, the Company paid out final restructuring amounts (LTL 10,225 thousand) owed to external creditors.

20. Obligations under finance lease

As at 31 December the Group's minimum lease payments consisted of the following:

	2014		**2013**	
	Minimum lease payments	**Present value of minimum lease payments**	**Minimum lease payments**	**Present value of minimum lease payments**
Amount payable within one year	6,043	5,476	974	898
In the second to fifth years inclusive	11,613	10,950	1,720	1,639
Minimum lease payments	**17,656**	**16,426**	**2,694**	**2,537**
Less: future finance charges	(1,230)		(157)	
Present value of minimum lease payments	**16,426**	**16,426**	**2,537**	**2,537**

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets (note 5). The fair value of the Group's obligations under finance leases approximates their carrying amount.

21. Income tax

Income tax charge in the income statement for the Group is calculated as follows:

	GROUP		**COMPANY**	
	2014	**2013**	**2014**	**2013**
Income tax for the year	2,089	270	-	-
Deferred tax (credit) debit	(2,844)	-	722	-
Total income tax charge	**(755)**	**270**	**722**	**-**

21. Income tax (continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	GROUP				COMPANY			
	2014		2013		2014		2013	
Profit (loss) before tax, non-agricultural companies	-	26,929	-	-	-	2,112	-	45
Profit (loss) before tax, agricultural companies	-	7,893	-	5,366	-	-	-	-
Tax calculated at a tax rate of 15%	15.00%	4,039	-	-	15.00%	317	15.00%	7
Tax calculated at a tax rate of 5%	5.00%	395	5.00%	268	-	-	-	-
Total theoretical tax		**4,434**		**268**		**317**		**7**
Non-taxable income, non-agricultural companies	(21.57%)	(5,808)	-	-	(243.66%)	(5,146)	(60.00%)	(27)
Non-taxable income, agricultural companies	(12.04%)	(951)	-	-	-	-	-	-
Non-deductible expenses, non-agricultural companies	13.44%	3,619	-	-	206.53%	4,362	44.44%	20
Non-deductible expenses, agricultural companies	6.19%	488	0.04%	2	-	-	-	-
Gain from previously unrecognised tax losses, non-agricultural companies	(3.84%)	(1,035)	-	-	-	-	-	-
Gain from previously unrecognised tax losses, agricultural companies	(4.84%)	(382)						
Current-year losses for which no deferred tax asset is recognised, non-agricultural companies	-	-	-	-	22.11%	467	-	-
Changes in estimates related to prior years, non-agricultural companies	(0.53%)	(143)	-	-	34.19%	722	-	-
Changes in income tax on transferred losses, agricultural companies	6.18%	488	-	-	-	-	-	-
Changes in income tax on take-over of losses, non-agricultural companies	(5.44%)	(1,465)	-	-	-	-	-	-
Total income tax charge, non-agricultural companies	**(2.41%)**	**(793)**	**-**	**-**	**34.19%**	**722**	**0.00%**	**-**
Income tax charge, agricultural companies	**(1.33%)**	**38**	**5.04%**	**270**	**-**	**-**	**-**	**-**
Total income tax charge	**-**	**(755)**	**-**	**270**	**-**	**722**	**-**	**-**

Profit for 2014 and 2013 is taxable at a rate of 5% for agricultural companies and at a rate of 15% for non-agricultural companies of the Group, in accordance with Lithuanian regulatory legislation on taxation. In order to apply a reduced tax rate of 5%, the share of a company's agricultural sales should be at least 50% of the total company's sales.

Deferred tax

	GROUP		COMPANY	
	2014	2013	2014	2013
Assets (Liability) as at 1 January	-	-	722	722
Acquisition of subsidiaries (note 26)	(7,794)	-	-	-
Income statement charge (credit)	2,844	-	(722)	-
Assets (Liability) as at 31 December	**(4,950)**	**-**	**-**	**722**

As at 31 December 2014 and 2013 deferred income tax was calculated using 15% income tax rate, except for tax provisions applicable to agricultural entities.

21. Income tax (continued)

Deferred tax asset	**GROUP**		**COMPANY**	
	2014	**2013**	**2014**	**2013**
Tax loss carried forward	507	-	-	722
Deferred tax asset	**507**	**-**	**-**	**722**

Deferred tax liability	**GROUP**		**COMPANY**	
	2014	**2013**	**2014**	**2013**
Revaluation of investment property	4,362	-	-	-
Revaluation of PPE	1,095	-	-	-
Deferred tax liability	**5,457**	**-**	**-**	**-**

Deferred tax asset in 2014 is created on tax losses carried forward of land management entities, Grūduva UAB, and other Group companies for which restructuring plans are approved.

In the Management's opinion, the whole amount of the Group's deferred tax asset will be recovered after more than 12 months from the date of these financial statements.

The amount of unused tax losses carried forward for the Group and the Company is as follows:

	GROUP		**COMPANY**	
	2014	**2013**	**2014**	**2013**
Total tax loss carried forward	71,294	-	13,677	18,490
Less: deferred tax asset created from tax loss carried forward	(57,617)	-	-	(4,813)
Total tax loss carried forward for which no deferred tax asset created	**13,677**	**-**	**13,677**	**13,677**

According to the amendment of the Law on Corporate Income Tax of the Republic of Lithuania, ordinary tax losses can be carried forward indefinitely. As of 1 January 2011, according to the new amendments to the Law on Corporate Income Tax, the companies belonging to a holding structure can offset taxable profit with other holding companies' tax losses carried forward. Starting from 1 January 2014, ordinary tax losses carried forward can only be set off against up to 70% of the calculated taxable profits of the taxable period.

22. Other payables and current liabilities

As at 31 December the other payables and current liabilities consisted of the following:

	GROUP		**COMPANY**	
	2014	**2013**	**2014**	**2013**
Payroll related liabilities	3,159	1,707	208	204
Vacation reserve	1,682	-	219	232
Advances received	1,925	1	79	55
Taxes payable	2,518	-	-	-
Other payables	1,249	-	53	6
Total	**10,533**	**1,708**	**559**	**497**

23. Segment information

Income statement 2014	**Total**	**Stock-breeding: Milk**	**Stock-breeding: Cattle meat**	**Total stock-breeding**	**Crop-growing: Wheat**	**Crop-growing: Rapeseed**	**Crop-growing: Other crops**	**Total crop growing**	**Mushroom growing**	**Other segments**
Sales	**249,481**	20,011	5,906	**25,917**	56,327	14,885	8,793	**80,005**	**74,007**	**69,552**
Total cost of sales	**(217,152)**	(14,077)	(7,706)	**(21,783)**	(53,165)	(15,485)	(8,319)	**(76,969)**	**(65,020)**	**(53,380)**
Gross profit as reported to management of the Group	**32,329**	5,934	(1,800)	**4,134**	3,162	(600)	474	**3,036**	**8,987**	**16,172**
Intergroup eliminations										
Intergroup sales	**104,636**	-	3,172	**3,172**	28,513	2,857	3,894	**35,264**	**-**	**66,200**
Intergroup cost of sales	**(91,513)**	-	(3,355)	**(3,355)**	(29,565)	(3,125)	(5,022)	**(37,712)**	**-**	**(50,446)**
Eliminations, net	**13,123**	-	(183)	**(183)**	(1,052)	(268)	(1,128)	**(2,448)**	**-**	**15,754**
Total revenues from external customers	**144,845**	20,011	2,734	**22,745**	27,814	12,028	4,899	**44,741**	**74,007**	**3,352**
Direct subsidies	**12,476**	2,033	231	**2,264**	-	-	10,212	**10,212**	**-**	**-**
Gain on changes in biological assets fair value	**(4,649)**	-	(2,832)	**(2,832)**	-	-	(1,817)	**(1,817)**	**-**	**-**
Gross profit	**27,033**			**3,749**				**13,879**	**8,987**	**418**
Depreciation included in cost of sales	**8,421**	**910**	**198**	**1,108**	**1,481**	**432**	**103**	**2,016**	**5,124**	**173**

'Other segments' include accounting and management services provided by the Company to subsidiaries, also land rent income (both inside and outside the Group). 'Stock-breading' includes milk processing and cattle raising, whereas 'Crop-growing' includes growing of wheat, barley, rapeseed, triticale, maize as well as other several agricultures.

The main intersegment transactions are the following:

a) The crop growing segment prepares feed for cows (corn silage, hay, haylage) and sells to cattle growing segment
b) Trade segment produces combined feed for cows and sells to cattle growing segment
c) Trade segment supplies the crop growing segment with fertilizer and chemicals and buys grain and rapeseed as the mean of payment.

In 2014, 12.7 per cent of total revenues were received from ICA Sverige AB (mushrooms buyer), and 12.1 per cent of total revenues were received from Linas Agro AB. In 2013, 38.6 per cent of total revenues were received from farmer Kęstutis Juščius (buyer of mushrooms), 14.7 per cent – Beltamzhservice OOO (buyer of mushrooms). Other buyers in both years do not exceed 10 per cent of total revenues mark.

As of 1 June 2004 the Group companies are entitled to subsidies for agricultural land used in operations according to the European Commission directive „Regarding European agriculture direction and guarantee fund support to rural regions". Plantation declaration must be submitted by 1 June, and subsidies for the year are paid until 30 April of next year. These subsidies reduce the cost of sales of plant-growing operations.

According to the „Rules on additional national subsidies payments for livestock for 2005" of the Ministry of Agriculture of the Republic of Lithuania, the Group companies are entitled to subsidies for livestock sold for realization. These subsidies reduce the cost of sales of cattle-breeding activities. According to the "Rules on subsidies payments to milk producers" of the Ministry of Agriculture of the Republic of Lithuania, the Group companies are entitled to subsidies for the amount of milk sold during the year. These subsidies reduce the cost of sales of cattle-breeding activities.

23. Segment information (continued)

Income statement 2013	**Total**	**Stock-breeding**		**Total stock-breeding**	**Crop-growing**			**Total crop growing**	**Mushroom growing**	**Other segments**
		Milk	**Cattle meat**		**Wheat**	**Rapeseed**	**Other crops**			
Sales	**32,792**	-	-	**-**	-	-	-	**-**	**32,792**	**-**
Total cost of sales	**(25,536)**	-	-	**-**	-	-	-	**-**	**(25,536)**	**-**
Gross profit as reported to management of the Group	**7,256**	-	-	**-**	-	-	-	**-**	**7,256**	**-**
Intergroup eliminations										
Intergroup sales	**-**	-	-	**-**	-	-	-	**-**	**-**	**-**
Intergroup cost of sales	**-**	-	-	**-**	-	-	-	**-**	**-**	**-**
Eliminations, net	**-**	-	-	**-**	-	-	-	**-**	**-**	**-**
Total revenues from external customers	**32,792**	-	-	**-**	-	-	-	**-**	**32,792**	**-**
Direct subsidies	**-**	-	-	**-**	-	-	-	**-**	**-**	**-**
Gain on changes in biological assets fair value	**-**	-	-	**-**	-	-	-	**-**	**-**	**-**
Gross profit	**7,256**			**-**				**-**	**7,256**	**-**
Depreciation included in cost of sales	**1,096**	-	-	**-**	-	-	-	**-**	**1,096**	**-**

The Company's sales breakdown by type was the following:

	2014	**2013**
Business consultations	999	1,011
Financial accounting services	773	864
Other revenues	87	110
Total	**1,859**	**1,985**

23. Segment information (continued)

The Group management monitors the assets and liabilities on a higher level, i.e. on a Group basis. Therefore, assets of an agricultural entity contain the only split of biological assets between stock-breading and crop-growing, whereas all other assets (as well as liabilities) are reported in aggregate and are not further split between segments. For land rent companies, financial liabilities are monitored.

Main intercompany eliminations include eliminations of intercompany balances on consolidation (i.e. intergroup accounts payable and receivable, intergroup loans granted and received, as well as eliminations of cost of investments in agricultural and land rent companies of investment management companies).

See table below for assets and liabilities breakdown by different segments:

	Agricultural companies							
	Stock-breading	Crop-growing	Not attributable to stock-breading or crop-growing	**Mushroom growing companies**	**Land rent companies**	**Investment management companies**	**Intergroup eliminations**	**Total**
Assets								
2014	21,964	61,585	270,315	140,328	170,549	66,671	(309,373)	422,039
2013	-	-	-	136,815	-	-	-	136,815
Acquisitions of PP&E and investment property								
2014	-	641	6,844	1,497	231	5,090	(5,324)	8,979
2013	-	-	-	112,483	-	-	-	112,483
Liabilities								
2014	-	20,802	219,872	67,513	109,629	118,075	(307,741)	228,150
2013	-	-	-	68,809	-	-	-	68,809

24. Cost of sales by nature

As at 31 December the Group's cost of sales breakdown by type of expenses was the following:

	2014	**2013**
Services from contractors	20,122	7,048
Raw materials	17,302	5,078
Payroll expenses	15,729	4,379
Fertilizer	9,967	-
Depreciation of property, plant and equipment (note 23)	8,421	1,096
Feed for animals	5,678	-
Packaging costs	5,397	2,311
Social security expenses	4,876	1,358
Land rent	4,619	-
Fuel costs	4,393	374
Electricity	4,276	1,789
Chemicals	3,472	-
Seed	3,165	-
Spare parts and inventory	2,225	-
Medicine	531	-
Veterinary and insemination	155	-
Other expenses	15,311	2,103
Less: direct subsidies from the State	(12,476)	-
Total	**113,163**	**25,536**

25. Operating expenses

As at 31 December the expenses consisted of the following:

	GROUP		COMPANY	
	2014	**2013**	**2014**	**2013**
Payroll expenses	6,546	744	1,975	1,806
Depreciation of property, plant and equipment	3,567	36	61	47
Consultations and business plan preparations	2,598	275	1,343	922
Social security expenses	2,011	229	612	547
Selling expenses	1,205	-	55	883
Write-off of inventory, biological assets	880	-	-	-
Insurance and tax expense	742	-	207	142
Impairment of accounts receivable (note 13)	674	-	-	-
Fuel costs	478	78	122	160
Rent and utilities	404	27	187	146
Real estate registration and notaries	356	-	19	41
Fines and late payments	161	-	48	68
Transportation costs	155	-	-	3
Loss on sale of PPE	21	-	-	-
Other expenses	207	213	523	819
Total	**20,005**	**1,602**	**5,152**	**4,560**

Expense for the Group's defined contribution plans amounts to LTL 6,887 thousand in 2014 (2013: LTL 1,587 thousand) and is accounted for in cost of sales and operating expenses. Defined contribution plan payments consist of payments to the State social security fund only, with the amount calculated equalling 31 per cent from the gross salary expense of all employees.

26. Increase in shareholding, acquisitions and disposals of subsidiaries

During March-April of the year 2014 the Company issued new capital for acquisition of Baltic Champs UAB and eTime invest UAB, and acquired two agricultural subsidiaries for cash. Based on the requirements outlined in International Financial Reporting Standard 3 "Business Combinations" (IFRS 3), the acquisition of Baltic Champs UAB is treated and accounted for as a reverse acquisition, while other acquisitions are treated and accounted for as regular business combinations, which have taken place before reverse acquisition. The calculation of regular business combination, which has taken place immediately before reverse acquisition is outlined below:

Acquisitions of subsidiaries	**eTime invest UAB**	**Luganta UAB**	**AGRO Ramučiai UAB**
	31 March 2014	**31 March 2014**	**31 March 2014**
Non-current assets			
PPE	1,282	2,271	2,177
Receivables and other assets	-	16	-
Current assets			
Biological assets	1,773	750	(22)
Trade receivables and other current assets	60	1,451	332
Inventory	109	1,082	1,523
Cash and cash equivalents	190	302	61
Long-term liabilities			
Grants	-	(64)	-
Loans	(518)	(928)	(1,565)
Short-term liabilities			
Other financial liabilities	-	(923)	(1,107)
Trade payables and other current liabilities	(771)	(1,449)	(2,028)
Net assets at acquisition date	**2,125**	**2,508**	**(629)**
Acquired share capital, %	100	100	100
Interest in net assets acquired	**2,125**	**2,508**	**(629)**
Value of shares issued for acquisition purposes	16,700	-	-
Cash paid upon acquisition acquired	-	5,348	357
Total purchase consideration	**16,700**	**5,348**	**357**
Total (negative) goodwill	**14,575**	**2,840**	**986**

All goodwill related to the above acquisitions has been fully impaired before the reverse acquisition.

26. Increase in shareholding and disposal of subsidiaries (continued)

The fair value of eTime invest UAB group shares was determined based on an independent valuer report, as required by the laws of Lithuania when share capital increase is not paid up in monetary items, but rather contributed by PPE or other items.

The independent valuer OBER-HAUS nekilnojamas turtas determined that the fair value of shares of eTime invest UAB was LTL 16,700 thousand as at 28 February 2014. The value provided by this valuation report has been considered as acquisition cost of the investment in eTime invest UAB group. For current uncertainties regarding this share capital increase see note 31.

The business combination of Agrowill Group AB and Baltic Champs UAB is a reverse acquisition, as former shareholders of Baltic Champs UAB obtained control of more than 50% of Agrowill Group AB shares and received the majority of seats in the Board. For accounting purposes, the legal buyer Agrowill Group AB is treated as an accounting acquiree, while legal acquiree Baltic Champs UAB is treated as an accounting acquirer. Shares of Agrowill Group AB were acquired by Baltic Champs Group UAB in three tranches – by share capital increase of Agrowill Group AB (shares issued for acquisition purposes), by share acquisition from Vretola Holdings Limited (cash paid upon acquisition acquired I), and by shares acquisition in mandatory non-competitive offer (cash paid upon acquisition acquired II) in April – June 2014.

For the purpose of this business combination, certain accounting estimates were used as discussed in more detail in note 3.3. As the whole reverse acquisition agreement was signed in late February and transaction closed in April, 31 March 2014 was chosen as the transaction date, as most reliable and exact financial data was available for that date.

Business combinations	**Agrowill Group AB**
	Fair value of the Group as at 31 March 2014 after above-mentioned acquisitions before reverse acquisition transaction
Non-current assets	
PPE (note 5)	160,411
Investment property (note 6)	66,252
Intangible assets (note 9)	364
Deferred tax asset (note 21)	321
Other non-current assets	18
Biological assets (note 10)	21,827
Current assets	
Biological assets (note 10)	22,668
Trade receivables and other current assets	16,350
Inventory	21,767
Cash and cash equivalents	4,181
Long term liabilities	
Grants (note 17)	(13,499)
Financial liabilities	(120,932)
Deferred tax liability (note 21)	(8,115)
Short term liabilities	
Other financial liabilities	(14,511)
Trade payables and other current liabilities	(35,276)
Non-controlling interests	(1,265)
Net assets at acquisition date	**120,561**
Acquired share capital, %	53.01
*Value of shares issued for acquisition purposes	78,463
Cash paid upon acquisition acquired (I)	5,623
Cash paid upon acquisition acquired (II)	5,274
Total purchase consideration	**89,360**
Total (negative) goodwill	**(31,201)**

* After the reverse acquisition transaction, Baltic Champs Group UAB controls 53.01 percent of Agrowill Group AB shares, while the remaining 46.99 percent are owned by other shareholders of Agrowill Group AB. When estimating the fair value of the consideration transferred in this reverse acquisition transaction, the theoretical value of the shares issue has been estimated, which represents the shares which should be issued by Baltic Champs UAB in exchange for Agrowill Group AB shares, so that other shareholders after this share exchange would still control 46.99 percent of Agrowill Group AB shares (as per IFRS 3). The theoretical value of the shares has been calculated by multiplying the fair value of Baltic Champs UAB shares, which comprises LTL 88,500 thousand, by 46.994% and dividing it by 53.006%. The resulting amount of LTL 78,463 thousand, together with other purchases of Agrowill Group AB shares (I and II) comprises LTL 89,360 thousand, which is the fair value of the consideration transferred in this reverse acquisition transaction. The difference between this consideration and the net assets of Agrowill Group AB (together with eTime invest UAB group, Luganta UAB, and AGRO Ramučiai UAB) as at 31 March 2014 represents the negative goodwill arising from this reverse acquisition. The transaction generated a significant amount of negative goodwill as the ongoing Agrowill Group AB restructuring status was one of the key drivers in determining the issue price of new share issue.

26. Increase in shareholding and disposal of subsidiaries (continued)

The fair value of Baltic Champs UAB shares was determined based on an independent valuer report, as required by the laws of Lithuania when share capital increase is not paid up in monetary items, but rather contributed by PPE or other items. The independent valuer OBER-HAUS nekilnojamas turtas UAB determined that the value of shares of Baltic Champs UAB was LTL 88,500 thousand. The discounted revenues and comparative prices methods were used to determine the fair value of shares of Baltic Champs UAB. The forecasted EBITDA was used as a main cash flow source, while pre-tax discount rate of 11.3 per cent was applied, growth to perpetuity: 2 per cent. The appropriate figures of additional working capital needs and annual investments covering annual depreciation were also taken into account while calculating the forecasted free cash flows of Baltic Champs UAB. This share issue, together with contributions paid by the new Agrowill Group AB shareholder make up total purchase consideration.

Had the acquisitions occurred on 1 January 2014, the combined Group's annual revenues in 2014 would have been higher by LTL 12,925 thousand and would have amounted to LTL 157,770 thousand, while the result would have been by LTL 7,810 thousand lower and amounted to LTL 29,435 thousand.

Net cash paid to acquire subsidiaries

	2014	2013
Acquisition cost paid in cash	5,705	-
Less: cash and cash equivalents of acquired subsidiaries	(553)	-
	5,152	**-**

In April 2014, the Company sold all owned 13 land management entities, and 1 agricultural entity (Agrowill Nausodė ŽŪB) to other Group entities. The cost in the balance sheet associated with these two companies written off amounted to LTL 2,392 thousand, while the price received for shares amounted to LTL 34,130 thousand. The total gain from these transactions amounted to LTL 31,738 thousand. As transactions were intercompany, no such gains were experienced on a consolidated level.

27. Other income

	GROUP		COMPANY	
	2014	2013	2014	2013
Gain on sale of investment property	3,969	-	-	-
Gain on write-down of liabilities	601	-	-	-
Fines and interest income	106	-	459	789
Gain on sale of subsidiaries (note 26)	-	-	31,738	7,463
Extinguishment of debt, net	-	-	177	177
Acquired own liabilities at discount	-	-	-	83
Other income	800	7	-	8
Total	**5,476**	**7**	**32,374**	**8,520**

In 2014, the Group sold around 2,600 ha of land to different farmers and agricultural entities. The Group reported a profit of LTL 3,969 thousand from such transactions.

As disclosed in note 26 above, the Company sold 14 subsidiary companies in 2014 to other Group entities. Due to these transactions a gain of LTL 31,738 thousand occurred.

28. Finance cost

For the year ended as at 31 December finance cost consisted of the following:

	GROUP		COMPANY	
	2014	2013	2014	2013
Bank interest expenses	3,503	286	-	-
Negative currency fluctuation effect	1,978	-	-	-
Other borrowings interest expenses	1,038	-	102	-
Restructured liabilities interest expenses	861	-	4,481	4,920
Fair value change of derivatives	755	-	-	-
Other liabilities interest expenses	603	-	-	-
Impairment of investments	-	-	22,042	-
Borrowings from subsidiaries interest expenses	-	-	190	202
Other financial expenses	145	9	122	675
Total	**8,883**	**295**	**26,937**	**5,797**

28. Finance cost (continued)

The Group in 2014 acquired two entities in Crimea. Due to volatile geopolitical situation there and tensions, the exchange rates of Ukrainian Hryvnia and Russian Rouble (the subsidiary there, as of 31 March 2014 had to conduct all accounting in the functional currency of the Russian Federation) deteriorated by around 50% year on year. Due to this, the Group experienced a negative currency fluctuation effect of LTL 1,978 thousand.

As at 31 December 2014, the Company made impairment tests regarding investments in subsidiaries. After detailed tests and political environment evaluations, a net loss of LTL 22,042 thousand on investments was booked, from which LTL 16,700 relates to eTime invest UAB investment in Crimea.

29. Basic and diluted earnings per share

	GROUP		COMPANY	
	2014	**2013**	**2014**	**2013**
Net profit (loss) attributable to equity holders of the Company	35,528	5,096	1,390	45
Weighted average number of shares	167,892,961	17,444,147	167,178,282	84,820,986
Earnings per share (LTL)	**0.21**	**0.29**	**0.01**	**0.00**

The Company had no dilutive options outstanding during 2014 and 2013 or as at 31 December 2014 and 2013.

Weighted average number of shares of the Company for 2014 is calculated as follows:

	Weighted number of shares
Share capital of 84,820,986 shares for 72 days	84,820,986
Share capital of 187,416,252 shares for 293 days	187,416,252
Weighted number of shares for 2014	**167,178,282**

Weighted average number of shares of the Company for 2013 is calculated as follows:

	Weighted number of shares
Share capital of 84,820,986 shares for 365 days	84,820,986
Weighted number of shares for 2013	**84,820,986**

In calculating the weighted average number of ordinary shares for the Group outstanding for the year 2014 during the period in which the reverse acquisition occurs:

a) the number of ordinary shares outstanding from the beginning of that period to the acquisition date shall be computed on the basis of the weighted average number of ordinary shares of the legal acquiree (accounting acquirer) outstanding during the period multiplied by the exchange ratio established in the reverse acquisition agreement; and
b) the number of ordinary shares outstanding from the acquisition date to the end of that period shall be the actual number of ordinary shares of the legal acquirer (the accounting acquiree) outstanding during that period.

The number of ordinary shares outstanding from the beginning of that period to the acquisition date is calculated as follows:

	Weighted number of shares
Weighted average number of ordinary shares of Baltic Champs UAB for 72 days	629,010
Exchange ratio established in the acquisition agreement: 88,444,014 shares of the Company for 629,010 shares of Baltic Champs UAB	140.6083
Number of shares for 72 days	**88,444,014**

Weighted average number of shares of the Group for 2014 is calculated as follows:

	Weighted number of shares
Share capital of 88,444,014 shares for 72 days	88,444,014
Share capital of 187,416,252 shares for 293 days	187,416,252
Weighted number of shares for 2014	**167,892,961**

29. Basic and diluted earnings per share (continued)

The basic earnings per share of the Group for the year 2013 is calculated by dividing:

a. the profit or loss of the legal acquiree attributable to ordinary shareholders in each of those periods by
b. the legal acquiree's historical weighted average number of ordinary shares outstanding multiplied by the exchange ratio established in the acquisition agreement.

Weighted average number of shares of Baltic Champs UAB (legal acquiree) for 2013 is calculated as follows:

	Weighted number of shares
Share capital of 10 shares for 287 days (Baltic Champs UAB)	10
Share capital of 575,010 shares for 42 days (Baltic Champs UAB)	575,010
Share capital of 629,010 shares for 33 days (Baltic Champs UAB)	629,010
Historical weighted number of shares for 2013 of legal acquiree	**124,062**
Exchange ratio established in the acquisition agreement: 88,444,014 shares of the Company for 629,010 shares of Baltic Champs UAB	140.6083
Weighted number of shares for 2013	**17,444,147**

30. Related party transactions

Over the year ended 31 December 2014 the average number of Senior Management was 7 people. Senior management includes Board of Directors, and General Director of the Company.

i) Payments to Board Members and Senior Management

In 2014, salaries and other payments to the Board Members and Senior Management of the Company amounted to LTL 1,014 thousand.

(ii) Other transactions with related parties

All the shareholders of Agrowill Group AB (note 1), owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them significant influence over the enterprise, are considered to be related parties. Trading transactions with related parties were carried out on commercial terms and conditions and market prices.

Transactions with related parties are as follows:

	2014				
	Accounts receivable	Borrowings	Accounts payable	Purchases	Sales
Parties related to Board Member Marius Žutautas					
ŽIA valda UAB	45	-	9	573	1,145
Avia Solutions Group AB	-	-	11	37	-
Parties related to Board Member Linas Strėlis					
Vilkyškių pieninė AB	1,164	-	-	15	16,375
Parties related to Board Member Saulius Jurgelėnas					
Verslo DNR MB	-	-	65	152	-
Parties related to Chairman of Supervisory Board Kęstutis Juščius					
Pašiaušės dirva UAB	-	-	506	-	-
Ramučių dirva UAB	95	-	-	-	-
Paladis UAB	372	-	-	138	117
Baltic Champs Group UAB	66	-	-	103	54
Farmer Kęstutis Juščius	479	6,325	46	3	1,054
Champs Polska Sp.z.o.o.	435	-	-	488	2,670
Nacionalnaja grybnaja kompanija Kashira OOO	814	-	-	-	2,888
Šampinjonid OU	264	-	-	-	2,273
Total	**3,734**	**6,325**	**637**	**1,509**	**26,576**

	2013				
	Accounts receivable	Borrowings	Accounts payable	Purchases	Sales
Parties related to Baltic Champs UAB					
Farmer Kęstutis Juščius	-	-	10,045	125,537	12,682
UAB Luganta	-	-	-	38	-
Champs Polska Sp.z.o.o.	610	-	-	215	1,146
Nacionalnaja grybnaja kompanija Kashira OOO	423	-	-	-	1,200
Šampinjonid OU	190	-	-	-	769
Total	**1,223**	**-**	**10,045**	**125,790**	**15,797**

30. Related party transactions (continued)

The Company's balances and transactions with the Group companies are as follows:

	2014					
	Borrowings provided (gross)	**Accounts receivable and advances**	**Borrowings**	**Accounts payable**	**Purchases**	**Sales and interest income**
Subsidiaries						
Agricultural entities	2,867	170	20,742	277	193	1,858
Land management companies	-	-	40,007	189	5	37
Trade companies	-	186	127	35	458	300
SPV's	3	34,182	3	14	7	34,252
Other related parties	-	36	-	67	514	-
Kęstutis Juščius	-	-	5,705	-	-	-
Total	**2,870**	**34,574**	**66,584**	**582**	**1,177**	**36,447**

	2013					
	Borrowings provided (gross)	**Accounts receivable and advances**	**Borrowings**	**Accounts payable**	**Purchases**	**Sales and interest income**
Subsidiaries						
Agricultural entities	8,458	1,005	25,773	72	179	2,158
Land management companies	41	81	39,542	-	50	154
Trade companies	3,450	12	1	3	25	30
SPV's	3,873	1,275	3	8	52	398
Other related parties	-	-	-	41	263	-
Total	**15,822**	**2,373**	**65,319**	**124**	**569**	**2,740**

31. Commitments and contingencies

The Group leases agricultural land, some passenger cars, and premises under operating lease agreements. The total amount of such expenses included in the income statement for the year ended 31 December 2014 equals to LTL 5,072 thousand. These contracts are with an average term of 3–5 years. All contracts are registered in the State Registrar, so the lessor cannot terminate them before the original term expires. The Group can cancel the contracts with 1-year prior notice. The first hand right to buy the leased land belongs to the Group; however, if the Group does not wish to acquire the land, the rent contract stays valid until the original term expires.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2014	**2013**
Not later than 1 year	5,455	-
Later than 1 year, but not later than 5 years	15,925	-
After 5 years	4,881	-
Total future lease payments	**26,261**	**-**

The Group leases out agricultural land to third parties. Total amount of such revenues included in the income statement for the year ended 31 December 2014 equals to LTL 864 thousand. The future aggregate minimum lease receivables under non-cancellable agreements:

	2014	**2013**
Not later than 1 year	886	-
Later than 1 year, but not later than 5 years	2,312	-
After 5 years	1,181	-
Total future lease receivables	**4,379**	**-**

The main legal cases where Group and the Company are participating, are the Restructuring cases for 14 agricultural subsidiaries and the Company. Other legal cases where Group parties are involved are regarding legal adjudgement of the amounts payable by the Group. As the Group companies are in restructuring process, all such cases are being merged into restructuring case of each company after such case has been appointed by the court of Lithuania. The Group management believes that no significant additional liabilities will arise upon the completion of these legal cases. There are no other ongoing or pending legal cases which might result in possible additional losses for the Group.

The Company has issued guarantees to AB Snoras bank and AB DNB bank (only as at 31 December 2013) for the loans taken by the subsidiary entities (agricultural companies and land management entities). The amount of outstanding loans as at 31 December 2014 was LTL 14,604 thousand (2013 – LTL 48,927 thousand).

No full tax investigation of the Company for the period from 2010 to 2014 has been performed by the tax authorities. According to effective tax legislation, the tax authorities may at any time perform investigation of the Company's accounting registers and records for the period of five years preceding the accounting tax period, as well as calculate additional taxes and penalties. The Management of the Company is not aware of any circumstances which would cause calculation of additional tax liabilities.

31. Commitments and contingencies (continued)

Valuation report of the eTime invest UAB shares

The Group and the Company indirectly might be influenced by legal actions between OBER-HAUS nekilnojamas turtas UAB and State Property Oversight Agency.

In February 2015 Agrowill Group AB received a letter of the Supervision Service of the Bank of Lithuania forwarding a conclusion of the Property Valuation Oversight Agency regarding the compliance of the business valuation report prepared by OBER-HAUS nekilnojamas turtas UAB on the valuation of the shares in eTime invest UAB and applied valuation methods with the provisions of the Law on the Bases of Property and Business Valuation of the Republic of Lithuania (hereinafter referred to as Conclusion). The Property Valuation Oversight Agency provided a conclusion that the said Report did not comply with a few provisions of the Law on the Bases of Property and Business Valuation of the Republic of Lithuania and Property and Business Valuation Methodology. In its letter, the Supervision Service of the Bank of Lithuania advised the Company to issue a notification on the related material event, regardless that the situation with Conclusion is not finally settled yet. Taking this into account, the Company published a notification on a material event.

The Company reminded that its shareholder, Vretola Holdings Limited, during an increase in the authorised capital of the Company, subscribed to 14,151,252 new shares (with the total issue price of LTL 14,151,252) and paid for them by a 100% shareholding in eTime invest UAB, which is comprised of 6,856,500 ordinary registered shares at the par value of LTL 1.

Looking from the Company's perspective, the fact is that 100% shareholding in eTime invest UAB has been evaluated at LTL 16.7 million, which is LTL 2.55 million more than the price of subscribed shares of the Company.

In the opinion of the Company's management, the following is concluded:

1. In its Conclusion, the Property Valuation Oversight Agency did not specify whether the business valuation report valuates the shares in eTime invest UAB too high or too low. A few incompliances with the applied evaluation methodology were detected. There is a possibility that even after use of indicated evaluation methods the value of 100% shareholding in eTime invest UAB will remain materially unchanged or would be changed by not more than LTL 2.55 million.
2. In accordance with the Law on the Bases of Property and Business Valuation of the Republic of Lithuania and case-law, a conclusion of the Property Valuation Oversight Agency is not legally binding as long as a court has not ruled otherwise and should therefore be treated only as an opinion of the Property Valuation Oversight Agency and valuation report of eTime invest UAB is valid. However, as to the Company's knowledge, OBER-HAUS nekilnojamas turtas UAB does not agree with the conclusion of the Property Valuation Oversight Agency.

Until the day of the approval of these financial statements, there were no new events which would affect the assessment of this matter in one or another way. Should for some reasons the new valuation of eTime invest UAB shares be performed which would result in a different amount of these shares as at 28 February 2014, adjustments would be required to the separate financial statements of the company Agrowill Group AB, restating the acquisition cost of the investment, its impairment and the increase in share capital related to the issue of shares, and share premium.

Regardless of the above-mentioned aspects regarding the validity of the conclusion of the Property Valuation Oversight Agency, the Company has no grounds to doubt the competence and decisions of property valuer OBER-HAUS nekilnojamas turtas UAB.

32. Subsequent events

In February 2015 Agrowill Group AB received a letter of the Supervision Service of the Bank of Lithuania forwarding a conclusion of the Property Valuation Oversight Agency regarding the compliance of the business valuation report prepared by OBER-HAUS nekilnojamas turtas UAB on the valuation of the shares in eTime invest UAB and applied valuation methods with the provisions of the Law on the Bases of Property and Business Valuation of the Republic of Lithuania. See note 31 for more details.

On 7–9 April 2015, the Company paid out final restructuring amounts (LTL 10.22 million) owed to external creditors. The Company plans to submit documents to the Court asking formal end to the Restructuring process in May.

In 4 months of 2015, the Group received approvals for ending Restructuring processes of Agrowill Skėmiai ŽŪB, Agrowill Spindulys ŽŪB, Agrowill Vėriškės ŽŪB (all these companies paid their restructuring debts in December 2014).

On 5 May 2015 the management Board of Agrowill Group AB accepted a resolution with regard to the General Manager of the Company. With this resolution it was decided to recall Saulius Jurgelėnas as the General Manager of the Company on his decision, and to elect Linas Bulzgys as new General Manager of the Company. Also on this day a resolution of the Supervisory Board of Agrowill Group AB was made with regard to recalling a member of the management Board. It was decided to recall Saulius Jurgelėnas as the member of the management Board of the Company on his decision. A new member of the management Board of the Company will be elected following the shareholders meeting on 14 May.

On 1 January 2015 the Republic of Lithuania joined the euro zone and the Lithuanian national currency Litas was replaced by the Euro. As a result, the Group converted its financial accounting to Euros as from 1 January 2015 and the financial statements for subsequent years will be prepared and presented in Euros. Comparative information will be translated into Euros using the official exchange rate of LTL 3.4528 to EUR 1.

After the end of the financial year until preparation of these financial statements there were no other subsequent events which would have an effect on the financial statements or require disclosure.

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AGROWILL GROUP AB DISCLOSURE CONCERNING THE COMPLIANCE WITH THE GOVERNANCE CODE FOR THE COMPANIES LISTED ON THE REGULATED MARKET IN 2014

The public company Agrowill Group AB, following Article 21 paragraph 3 of the Law on Securities of the Republic of Lithuania and item 23.5 of the Trading Rules of the NASDAQ OMX Vilnius Stock Exchange, discloses its compliance with the Governance Code, approved by the VSE for the companies listed on the regulated market, and its specific provisions. In the event of non-compliance with the Code or with certain provisions thereof, it must be specified which provisions are not complied with and the reasons of non-compliance.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
Principle I: Basic Provisions **The overriding objective of a company should be to operate in common interests of all the shareholders by optimizing over time shareholder value.**		
1.1. A company should adopt and make public the company's development strategy and objectives by clearly declaring how the company intends to meet the interests of its shareholders and optimize shareholder value.	Yes	Changes estimated during the nearest fiscal years are provided by the company in the annual reports, which are provided on the company's and through NASDAQ OMX Vilnius and Warsaw Stock Exchange information systems.
1.2. All management bodies of a company should act in furtherance of the declared strategic objectives in view of the need to optimize shareholder value.	Yes	The company's Board members and chief executive officer attempt in their actions to increase the shareholders' equity and transparency of the company by ensuring a high long-term financial rate of return, maintaining a small risk level and abiding by the ethic standards.
1.3. A company's supervisory and management bodies should act in close co-operation in order to attain maximum benefit for the company and its shareholders.	Yes	The company's shareholders form the Supervisory Council, which represent the shareholders and elect the Board of Directors, which is responsible for the strategic management and supervises the work of the CEO. On Supervisory Council meetings the activities of the Board are reviewed. On regular Board meetings, the activities of company's administration are reviewed and approved (in certain cases).
1.4. A company's supervisory and management bodies should ensure that the rights and interests of persons other than the company's shareholders (e.g. employees, creditors, suppliers, clients, local community), participating in or connected with the company's operation, are duly respected.	Yes	The Company respects all the rights and interests of persons other than the company's shareholders participating in or connected with the company's operation.
Principle II: The corporate governance framework **The corporate governance framework should ensure the strategic guidance of the company, the effective oversight of the company's management bodies, an appropriate balance and distribution of functions between the company's bodies, protection of the shareholders' interests.**		
2.1. Besides obligatory bodies provided for in the Law on Companies of the Republic of Lithuania – a general shareholders' meeting and the chief executive officer, it is recommended that a company should set up both a collegial supervisory body and a collegial management body. The setting up of collegial bodies for supervision and management facilitates clear separation of management and supervisory functions in the company, accountability and control on the part of the chief executive officer, which, in its turn, facilitate a more efficient and transparent management process.	Yes	The Company has a Supervisory Council and Board of Directors. Meetings of the Supervisory Council and Board of Directors ensure the effective supervision of company's activities.
2.2. A collegial management body is responsible for the strategic management of the company and performs other key functions of corporate governance. A collegial supervisory body is responsible for the effective supervision of the company's management bodies.	Yes	The functions set forth in the recommendation are performed by the collegial management body – the Supervisory Council.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
2.3. Where a company chooses to form only one collegial body, it is recommended that it should be a supervisory body, i.e. the supervisory board. In such a case, the supervisory board is responsible for the effective monitoring of the functions performed by the company's chief executive officer.	Yes	The Company has a Supervisory Council and Board of Directors.
2.4. The collegial supervisory body to be elected by the general shareholders' meeting should be set up and should act in the manner defined in Principles III and IV. Where a company should decide not to set up a collegial supervisory body but rather a collegial management body, i.e. the board, Principles III and IV should apply to the board as long as that does not contradict the essence and purpose of this body.	Yes	The relevant provisions set forth in III and IV principles are applicable to the formation of company's Supervisory Council and activity assessment.
2.5. Company's management and supervisory bodies should comprise such number of board (executive directors) and supervisory (non-executive directors) board members that no individual or small group of individuals can dominate decision-making on the part of these bodies.	Yes	There are 5 (five) members of Supervisory Council and 7 (seven) Board members in the Company who do not have other mutual interests but only activity within the Supervisory Council and Board of Directors and who act seeking benefit to the company and all shareholders.
2.6. Non-executive directors or members of the supervisory board should be appointed for specified terms subject to individual re-election, at maximum intervals provided for in the Lithuanian legislation with a view to ensuring necessary development of professional experience and sufficiently frequent reconfirmation of their status. A possibility to remove them should also be stipulated however this procedure should not be easier than the removal procedure for an executive director or a member of the management board.	Yes	There are no directors-consultants in the company. The members of Supervisory Council and the Board are elected for 2-years term.
2.7. Chairman of the collegial body elected by the general shareholders' meeting may be a person whose current or past office constitutes no obstacle to conduct independent and impartial supervision. Where a company should decide not to set up a supervisory board but rather the board, it is recommended that the chairman of the board and chief executive officer of the company should be a different person. Former company's chief executive officer should not be immediately nominated as the chairman of the collegial body elected by the general shareholders' meeting. When a company chooses to departure from these recommendations, it should furnish information on the measures it has taken to ensure impartiality of the supervision.	Yes	The Chairman of the Board is elected by the Board of the company. The CEO of the Company is elected by the Board of the company. The Chairman of the board and Chief executive officer of the company for 5 months were different persons, as of May 2014 – it is the same person. The independent supervision function is ensured via the Supervisory Council, which is comprised of 5 members.
Principle III: The order of the formation of a collegial body to be elected by a general shareholders' meeting **The order of the formation a collegial body to be elected by a general shareholders' meeting should ensure representation of non-controlling shareholders, accountability of this body to the shareholders and objective monitoring of the company's operation and its management bodies**		
3.1. The mechanism of the formation of a collegial body to be elected by a general shareholders' meeting (hereinafter in this Principle referred to as the 'collegial body') should ensure objective and fair monitoring of the company's management bodies as well as representation of non-controlling shareholders.	Yes	When electing collegial body, the shareholders can access the thorough information about each candidate before the shareholders meeting and during it. The company's Supervisory Council operates impartially, objectively and represents the interests of all shareholders equally.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
3.2. Names and surnames of the candidates to become members of a collegial body, information about their education, qualification, professional background, positions taken and potential conflicts of interest should be disclosed early enough before the general shareholders' meeting so that the shareholders would have sufficient time to make an informed voting decision. All factors affecting the candidate's independence, the sample list of which is set out in Recommendation 3.7, should be also disclosed. The collegial body should also be informed on any subsequent changes in the provided information. The collegial body should, on yearly basis, collect data provided in this item on its members and disclose this in the company's annual report.	Yes	Information about the members of the Supervisory Council of the company, their education, qualification, professional experience, participation in the activity of other companies is released in the reports of the company. The information about the Supervisory Council members is constantly updated.
3.3. Should a person be nominated for members of a collegial body, such nomination should be followed by the disclosure of information on candidate's particular competences relevant to his/her service on the collegial body. In order shareholders and investors are able to ascertain whether member's competence is further relevant, the collegial body should, in its annual report, disclose the information on its composition and particular competences of individual members which are relevant to their service on the collegial body.	Yes	When electing Supervisory Council, the shareholders can access the thorough information about each candidate before the shareholders meeting and during it.
3.4. In order to maintain a proper balance in terms of the current qualifications possessed by its members, the collegial body should determine its desired composition with regard to the company's structure and activities, and have this periodically evaluated. The collegial body should ensure that it is composed of members who, as a whole, have the required diversity of knowledge, judgment and experience to complete their tasks properly. The members of the audit committee, collectively, should have a recent knowledge and relevant experience in the fields of finance, accounting and/or audit for the stock exchange listed companies.	Yes	The composition of the Supervisory Council is regularly assessed in the company with consideration to the type and structure of activity pursued by the Company.
3.5. All new members of the collegial body should be offered a tailored program focused on introducing a member with his/her duties, corporate organization and activities. The collegial body should conduct an annual review to identify fields where its members need to update their skills and knowledge.	No	Presently, members of the Supervisory Council do not perform the assessment of skills and knowledge. The members of the Supervisory Council are regularly informed about changes in the legal acts and other circumstances influencing the operations of the company.
3.6. In order to ensure that all material conflicts of interest related with a member of the collegial body are resolved properly, the collegial body should comprise a sufficient number of independent members.	Yes	No shareholders have majority of the votes in the Supervisory Council, as the majority of the Council is independent. So the possible conflicts of interests are solved appropriately.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
3.7. A member of the collegial body should be considered to be independent only if he is free of any business, family or other relationship with the company, its controlling shareholder or the management of either, that creates a conflict of interest such as to impair his judgment. Since all cases when member of the collegial body is likely to become dependant are impossible to list, moreover, relationships and circumstances associated with the determination of independence may vary amongst companies and the best practices of solving this problem are yet to evolve in the course of time, assessment of independence of a member of the collegial body should be based on the contents of the relationship and circumstances rather than their form. The key criteria for identifying whether a member of the collegial body can be considered to be independent are the following 1) He/she is not an executive director or member of the board (if a collegial body elected by the general shareholders' meeting is the supervisory board) of the company or any associated company and has not been such during the last five years; 2) He/she is not an employee of the company or some any company and has not been such during the last three years, except for cases when a member of the collegial body does not belong to the senior management and was elected to the collegial body as a representative of the employees; 3) He/she is not receiving or has been not receiving significant additional remuneration from the company or associated company other than remuneration for the office in the collegial body. Such additional remuneration includes participation in share options or some other performance based pay systems; it does not include compensation payments for the previous office in the company (provided that such payment is no way related with later position) as per pension plans (inclusive of deferred compensations); 4) He/she is not a controlling shareholder or representative of such shareholder (control as defined in the Council Directive 83/349/EEC Article 1 Part 1); 5) He/she does not have and did not have any material business relations with the company or associated company within the past year directly or as a partner, shareholder, director or superior employee of the subject having such relationship. A subject is considered to have business relations when it is a major supplier or service provider (inclusive of financial, legal, counselling and consulting services), major client or organization receiving significant payments from the company or its group; 6) He/she is not and has not been, during the last three years, partner or employee of the current or former external audit company of the company or associated company;	Yes	2 of the 5 members of the Supervisory Council elected at the general shareholders meeting fail to meet this code recommendation on independency, but nevertheless in their actions seek to benefit the company.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
7) He/she is not an executive director or member of the board in some other company where executive director of the company or member of the board (if a collegial body elected by the general shareholders' meeting is the supervisory board) is non-executive director or member of the supervisory board, he/she may not also have any other material relationships with executive directors of the company that arise from their participation in activities of other companies or bodies; 8) He/she has not been in the position of a member of the collegial body for over than 12 years; 9) He/she is not a close relative to an executive director or member of the board (if a collegial body elected by the general shareholders' meeting is the supervisory board) or to any person listed in above items 1 to 8. Close relative is considered to be a spouse (common-law spouse), children and parents.		
3.8. The determination of what constitutes independence is fundamentally an issue for the collegial body itself to determine. The collegial body may decide that, despite a particular member meets all the criteria of independence laid down in this Code, he cannot be considered independent due to special personal or company-related circumstances.	No	Supervisory Council members' independency assessment is not practiced in the Company.
3.9. Necessary information on conclusions the collegial body has come to in its determination of whether a particular member of the body should be considered to be independent should be disclosed. When a person is nominated to become a member of the collegial body, the company should disclose whether it considers the person to be independent. When a particular member of the collegial body does not meet one or more criteria of independence set out in this Code, the company should disclose its reasons for nevertheless considering the member to be independent. In addition, the company should annually disclose which members of the collegial body it considers to be independent.	No	See comment for 3.8
3.10. When one or more criteria of independence set out in this Code has not been met throughout the year, the company should disclose its reasons for considering a particular member of the collegial body to be independent. To ensure accuracy of the information disclosed in relation with the independence of the members of the collegial body, the company should require independent members to have their independence periodically re-confirmed.	No	See comment for 3.8
3.11. In order to remunerate members of a collegial body for their work and participation in the meetings of the collegial body, they may be remunerated from the company's funds. The general shareholders' meeting should approve the amount of such remuneration.	Yes	The Supervisory Council members can be remunerated from the resources of the Company.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
Principle IV: The duties and liabilities of a collegial body elected by the general shareholders' meeting **The corporate governance framework should ensure proper and effective functioning of the collegial body elected by the general shareholders' meeting, and the powers granted to the collegial body should ensure effective monitoring of the company's management bodies and protection of interests of all the company's shareholders.**		
4.1. The collegial body elected by the general shareholders' meeting (hereinafter in this Principle referred to as the 'collegial body') should ensure integrity and transparency of the company's financial statements and the control system. The collegial body should issue recommendations to the company's management bodies and monitor and control the company's management performance.	Yes	The company's Supervisory Council performs all supervision functions set forth in the legal acts of the Republic of Lithuania.
4.2. Members of the collegial body should act in good faith, with care and responsibility for the benefit and in the interests of the company and its shareholders with due regard to the interests of employees and public welfare. Independent members of the collegial body should (a) under all circumstances maintain independence of their analysis, decision-making and actions (b) do not seek and accept any unjustified privileges that might compromise their independence, and (c) clearly express their objections should a member consider that decision of the collegial body is against the interests of the company. Should a collegial body have passed decisions independent member has serious doubts about, the member should make adequate conclusions. Should an independent member resign from his office, he should explain the reasons in a letter addressed to the collegial body or audit committee and, if necessary, respective company-not-pertaining body (institution).	Yes	According to the data held with the company, all Supervisory Council members act in good will with respect to the company, are guided by the interests of the company, and not personal or third parties' interests, seeking to preserve their independency while adopting the decisions.
4.3. Each member should devote sufficient time and attention to perform his duties as a member of the collegial body. Each member of the collegial body should limit other professional obligations of his (in particular any directorships held in other companies) in such a manner they do not interfere with proper performance of duties of a member of the collegial body. In the event a member of the collegial body should be present in less than a half of the meetings of the collegial body throughout the financial year of the company, shareholders of the company should be notified.	Yes	The company's Supervisory Council performed the functions assigned properly.
4.4. Where decisions of a collegial body may have a different effect on the company's shareholders, the collegial body should treat all shareholders impartially and fairly. It should ensure that shareholders are properly informed on the company's affairs, strategies, risk management and resolution of conflicts of interest. The company should have a clearly established role of members of the collegial body when communicating with and committing to shareholders.	Yes	The company's Supervisory Council treats all shareholders honestly and impartially.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
4.5. It is recommended that transactions (except insignificant ones due to their low value or concluded when carrying out routine operations in the company under usual conditions), concluded between the company and its shareholders, members of the supervisory or managing bodies or other natural or legal persons that exert or may exert influence on the company's management should be subject to approval of the collegial body. The decision concerning approval of such transactions should be deemed adopted only provided the majority of the independent members of the collegial body voted for such a decision.	Yes	All significant transactions with the shareholders of the Company (over LTL 20 thousand), which are made not in line with the main business of the Company are approved by the Board of directors.
4.6. The collegial body should be independent in passing decisions that are significant for the company's operations and strategy. Taken separately, the collegial body should be independent of the company's management bodies. Members of the collegial body should act and pass decisions without an outside influence from the persons who have elected it. Companies should ensure that the collegial body and its committees are provided with sufficient administrative and financial resources to discharge their duties, including the right to obtain, in particular from employees of the company, all the necessary information or to seek independent legal, accounting or any other advice on issues pertaining to the competence of the collegial body and its committees.	Yes	The company's Supervisory Council is independent while adopting decisions which are significant for the activity and strategy of the company.
4.7. Activities of the collegial body should be organized in a manner that independent members of the collegial body could have major influence in relevant areas where chances of occurrence of conflicts of interest are very high. Such areas to be considered as highly relevant are issues of nomination of company's directors, determination of directors' remuneration and control and assessment of company's audit. Therefore when the mentioned issues are attributable to the competence of the collegial body, it is recommended that the collegial body should establish nomination, remuneration, and audit committees. Companies should ensure that the functions attributable to the nomination, remuneration, and audit committees are carried out. However they may decide to merge these functions and set up less than three committees. In such case a company should explain in detail reasons behind the selection of alternative approach and how the selected approach complies with the objectives set forth for the three different committees. Should the collegial body of the company comprise small number of members, the functions assigned to the three committees may be performed by the collegial body itself, provided that it meets composition requirements advocated for the committees and that adequate information is provided in this respect. In such case provisions of this Code relating to the committees of the collegial body (in particular with respect to their role, operation, and transparency) should apply, where relevant, to the collegial body as a whole.	Yes	There is Nomination and Remuneration, and Audit committees formed in the Company.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
4.8. The key objective of the committees is to increase efficiency of the activities of the collegial body by ensuring that decisions are based on due consideration, and to help organize its work with a view to ensuring that the decisions it takes are free of material conflicts of interest. Committees should present the collegial body with recommendations concerning the decisions of the collegial body. Nevertheless the final decision shall be adopted by the collegial body. The recommendation on creation of committees is not intended, in principle, to constrict the competence of the collegial body or to remove the matters considered from the purview of the collegial body itself, which remains fully responsible for the decisions taken in its field of competence.	Yes	The Committees do not replace Supervisory Council. Rather, within their responsibility areas they make suggestions and opinions to the Supervisory Council.
4.9. Committees established by the collegial body should normally be composed of at least three members. In companies with small number of members of the collegial body, they could exceptionally be composed of two members. Majority of the members of each committee should be constituted from independent members of the collegial body. In cases when the company chooses not to set up a supervisory board, remuneration and audit committees should be entirely comprised of non-executive directors. Chairmanship and membership of the committees should be decided with due regard to the need to ensure that committee membership is refreshed and that undue reliance is not placed on particular individuals.	Yes	The Committees are formed from 3 persons.
4.10. Authority of each of the committees should be determined by the collegial body. Committees should perform their duties in line with authority delegated to them and inform the collegial body on their activities and performance on regular basis. Authority of every committee stipulating the role and rights and duties of the committee should be made public at least once a year (as part of the information disclosed by the company annually on its corporate governance structures and practices). Companies should also make public annually a statement by existing committees on their composition, number of meetings and attendance over the year, and their main activities. Audit committee should confirm that it is satisfied with the independence of the audit process and describe briefly the actions it has taken to reach this conclusion.	Yes	The Committees act according to their regulations.
4.11. In order to ensure independence and impartiality of the committees, members of the collegial body that are not members of the committee should commonly have a right to participate in the meetings of the committee only if invited by the committee. A committee may invite or demand participation in the meeting of particular officers or experts. Chairman of each of the committees should have a possibility to maintain direct communication with the shareholders. Events when such are to be performed should be specified in the regulations for committee activities.	Yes	The members of the Supervisory Council who are not on the Committees can participate in the meetings only if they are allowed by the Committee.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
4.12. Nomination Committee. 4.12.1. Key functions of the nomination committee should be the following: 1) Identify and recommend, for the approval of the collegial body, candidates to fill board vacancies. The nomination committee should evaluate the balance of skills, knowledge and experience on the management body, prepare a description of the roles and capabilities required to assume a particular office, and assess the time commitment expected. Nomination committee can also consider candidates to members of the collegial body delegated by the shareholders of the company; 2) Assess on regular basis the structure, size, composition and performance of the supervisory and management bodies, and make recommendations to the collegial body regarding the means of achieving necessary changes; 3) Assess on regular basis the skills, knowledge and experience of individual directors and report on this to the collegial body; 4) Properly consider issues related to succession planning; 5) Review the policy of the management bodies for selection and appointment of senior management. 4.12.2. Nomination committee should consider proposals by other parties, including management and shareholders. When dealing with issues related to executive directors or members of the board (if a collegial body elected by the general shareholders' meeting is the supervisory board) and senior management, chief executive officer of the company should be consulted by, and entitled to submit proposals to the nomination committee.	Yes	Main functions of the Committee match those advised in recommendation. Due to simplicity this committee is merged with the Remuneration committee.
4.13. Remuneration Committee. 4.13.1. Key functions of the remuneration committee should be the following: 1) Make proposals, for the approval of the collegial body, on the remuneration policy for members of management bodies and executive directors. Such policy should address all forms of compensation, including the fixed remuneration, performance-based remuneration schemes, pension arrangements, and termination payments. Proposals considering performance-based remuneration schemes should be accompanied with recommendations on the related objectives and evaluation criteria, with a view to properly aligning the pay of executive director and members of the management bodies with the long-term interests of the shareholders and the objectives set by the collegial body; 2) Make proposals to the collegial body on the individual remuneration for executive directors and member of management bodies in order their remunerations are consistent with company's remuneration policy and the evaluation of the performance of these persons concerned. In doing so, the committee should be properly informed on the total compensation obtained by executive directors and members of the management bodies from the affiliated companies; 3) Make proposals to the collegial body on suitable forms of contracts for executive directors and members of the management bodies;	Yes	Main functions of the Committee match those advised in recommendation. Due to simplicity this committee is merged with the Nomination committee.

PRINCIPLES/ RECOMMENDATIONS	YES/ NO / NOT APPLICABLE	COMMENTARY
4) Assist the collegial body in overseeing how the company complies with applicable provisions regarding the remuneration-related information disclosure (in particular the remuneration policy applied and individual remuneration of directors); 5) Make general recommendations to the executive directors and members of the management bodies on the level and structure of remuneration for senior management (as defined by the collegial body) with regard to the respective information provided by the executive directors and members of the management bodies. 4.13.2. With respect to stock options and other share-based incentives which may be granted to directors or other employees, the committee should: 1) Consider general policy regarding the granting of the above mentioned schemes, in particular stock options, and make any related proposals to the collegial body; 2) Examine the related information that is given in the company's annual report and documents intended for the use during the shareholders meeting; 3) Make proposals to the collegial body regarding the choice between granting options to subscribe shares or granting options to purchase shares, specifying the reasons for its choice as well as the consequences that this choice has. 4.13.3. Upon resolution of the issues attributable to the competence of the remuneration committee, the committee should at least address the chairman of the collegial body and/or chief executive officer of the company for their opinion on the remuneration of other executive directors or members of the management bodies.		
4.14. Audit Committee. 4.14.1. Key functions of the audit committee should be the following: 1) Observe the integrity of the financial information provided by the company, in particular by reviewing the relevance and consistency of the accounting methods used by the company and its group (including the criteria for the consolidation of the accounts of companies in the group); 2) At least once a year review the systems of internal control and risk management to ensure that the key risks (inclusive of the risks in relation with compliance with existing laws and regulations) are properly identified, managed and reflected in the information provided; 3) Ensure the efficiency of the internal audit function, among other things, by making recommendations on the selection, appointment, reappointment and removal of the head of the internal audit department and on the budget of the department, and by monitoring the responsiveness of the management to its findings and recommendations. Should there be no internal audit authority in the company, the need for one should be reviewed at least annually; 4) Make recommendations to the collegial body related with selection, appointment, reappointment and removal of the external auditor (to be done by the general shareholders' meeting) and with the terms and conditions of his engagement. The committee should investigate situations that lead to a resignation of the audit company or auditor and make recommendations on required actions in such situations;	Yes	Main functions of the Committee match those advised in recommendation.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
5) Monitor independence and impartiality of the external auditor, in particular by reviewing the audit company's compliance with applicable guidance relating to the rotation of audit partners, the level of fees paid by the company, and similar issues. In order to prevent occurrence of material conflicts of interest, the committee, based on the auditor's disclosed inter alia data on all remunerations paid by the company to the auditor and network, should at all times monitor nature and extent of the non-audit services. Having regard to the principals and guidelines established in the 16 May 2002 Commission Recommendation 2002/590/EC, the committee should determine and apply a formal policy establishing types of non-audit services that are (a) excluded, (b) permissible only after review by the committee, and (c) permissible without referral to the committee; 6) Review efficiency of the external audit process and responsiveness of management to recommendations made in the external auditor's management letter. 4.14.2. All members of the committee should be furnished with complete information on particulars of accounting, financial and other operations of the company. Company's management should inform the audit committee of the methods used to account for significant and unusual transactions where the accounting treatment may be open to different approaches. In such case a special consideration should be given to company's operations in offshore centers and/or activities carried out through special purpose vehicles (organizations) and justification of such operations. 4.14.3. The audit committee should decide whether participation of the chairman of the collegial body, chief executive officer of the company, chief financial officer (or superior employees in charge of finances, treasury and accounting), or internal and external auditors in the meetings of the committee is required (if required, when). The committee should be entitled, when needed, to meet with any relevant person without executive directors and members of the management bodies present. 4.14.4. Internal and external auditors should be secured with not only effective working relationship with management, but also with free access to the collegial body. For this purpose the audit committee should act as the principal contact person for the internal and external auditors. 4.14.5. The audit committee should be informed of the internal auditor's work program, and should be furnished with internal audit's reports or periodic summaries. The audit committee should also be informed of the work program of the external auditor and should be furnished with report disclosing all relationships between the independent auditor and the company and its group. The committee should be timely furnished information on all issues arising from the audit.		

PRINCIPLES/ RECOMMENDATIONS	YES/ NO / NOT APPLICABLE	COMMENTARY
4.14.6. The audit committee should examine whether the company is following applicable provisions regarding the possibility for employees to report alleged significant irregularities in the company, by way of complaints or through anonymous submissions (normally to an independent member of the collegial body), and should ensure that there is a procedure established for proportionate and independent investigation of these issues and for appropriate follow-up action. 4.14.7. The audit committee should report on its activities to the collegial body at least once in every six months, at the time the yearly and half-yearly statements are approved.		
4.15. Every year the collegial body should conduct the assessment of its activities. The assessment should include evaluation of collegial body's structure, work organization and ability to act as a group, evaluation of each of the collegial body member's and committee's competence and work efficiency and assessment whether the collegial body has achieved its objectives. The collegial body should, at least once a year, make public (as part of the information the company annually discloses on its management structures and practices) respective information on its internal organization and working procedures, and specify what material changes were made as a result of the assessment of the collegial body of its own activities.	No	As the collegial body Supervisory Council was formed only in December 2007 and was no active in 2008-2011, there were no assessments carried out. The Supervisory Council met once every quarter in 2013, however no assessments were performed by the members of the Committees. In 2014, a single meeting was carried out.
Principle V: The working procedure of the company's collegial bodies **The working procedure of supervisory and management bodies established in the company should ensure efficient operation of these bodies and decision-making and encourage active co-operation between the company's bodies.**		
5.1. The company's supervisory and management bodies (hereinafter in this Principle the concept 'collegial bodies' covers both the collegial bodies of supervision and the collegial bodies of management) should be chaired by chairpersons of these bodies. The chairperson of a collegial body is responsible for proper convocation of the collegial body meetings. The chairperson should ensure that information about the meeting being convened and its agenda are communicated to all members of the body. The chairperson of a collegial body should ensure appropriate conducting of the meetings of the collegial body. The chairperson should ensure order and working atmosphere during the meeting.	Yes	This provision is implemented by the company's Supervisory Council and Board of Directors.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
5.2. It is recommended that meetings of the company's collegial bodies should be carried out according to the schedule approved in advance at certain intervals of time. Each company is free to decide how often to convene meetings of the collegial bodies, but it is recommended that these meetings should be convened at such intervals, which would guarantee an interrupted resolution of the essential corporate governance issues. Meetings of the company's supervisory board should be convened at least once in a quarter, and the company's board should meet at least once a month.	Yes	The Board of Directors meetings were held at least once per month (typically – once per two weeks). The Supervisory Council met once every quarter in 2013. In 2014, a single meeting of The Supervisory Council was carried out.
5.3. Members of a collegial body should be notified about the meeting being convened in advance in order to allow sufficient time for proper preparation for the issues on the agenda of the meeting and to ensure fruitful discussion and adoption of appropriate decisions. Alongside with the notice about the meeting being convened, all the documents relevant to the issues on the agenda of the meeting should be submitted to the members of the collegial body. The agenda of the meeting should not be changed or supplemented during the meeting, unless all members of the collegial body are present or certain issues of great importance to the company require immediate resolution.	Yes	
5.4. In order to co-ordinate operation of the company's collegial bodies and ensure effective decision-making process, chairpersons of the company's collegial bodies of supervision and management should closely co-operate by co-coordinating dates of the meetings, their agendas and resolving other issues of corporate governance. Members of the company's board should be free to attend meetings of the company's supervisory board, especially where issues concerning removal of the board members, their liability or remuneration are discussed.	Yes	
Principle VI: The equitable treatment of shareholders and shareholder rights **The corporate governance framework should ensure the equitable treatment of all shareholders, including non-controlling and foreign shareholders. The corporate governance framework should protect the rights of the shareholders.**		
6.1. It is recommended that the company's capital should consist only of the shares that grant the same rights to voting, ownership, dividend and other rights to all their holders.	Yes	The ordinary registered shares which compose the company's authorized capital grant equal rights to all shareholders of the company's shares.
6.2. It is recommended that investors should have access to the information concerning the rights attached to the shares of the new issue or those issued earlier in advance, i.e. before they purchase shares.	Yes	The company publicly informs about the rights granted by the newly issued shares.
6.3. Transactions that are important to the company and its shareholders, such as transfer, investment, and pledge of the company's assets or any other type of encumbrance should be subject to approval of the general shareholders' meeting. All shareholders should be furnished with equal opportunity to familiarize with and participate in the decision-making process when significant corporate issues, including approval of transactions referred to above, are discussed.	Yes	All shareholders of the company have equal opportunities to get familiarized and participate in adopting decisions important to the company. Approval of the shareholder's meeting is also necessary in cases stipulated in the Company Law of the Republic of Lithuania.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
6.4. Procedures of convening and conducting a general shareholders' meeting should ensure equal opportunities for the shareholders to effectively participate at the meetings and should not prejudice the rights and interests of the shareholders. The venue, date, and time of the shareholders' meeting should not hinder wide attendance of the shareholders. Prior to the shareholders' meeting, the company's supervisory and management bodies should enable the shareholders to lodge questions on issues on the agenda of the general shareholders' meeting and receive answers to them.	Yes	The shareholders meetings are held in Vilnius, in conference rooms in hotels. The procedures for the convention and conduction of the general shareholders' meeting comply with the provisions of legal acts and provide the shareholders with equal opportunities to participate in the meeting, get familiarized with the draft resolutions and materials necessary for adopting the decision in advance, also give questions to the Board members.
6.5. It is recommended that documents on the course of the general shareholders' meeting, including draft resolutions of the meeting, should be placed on the publicly accessible website of the company in advance. It is recommended that the minutes of the general shareholders' meeting after signing them and/or adopted resolutions should be also placed on the publicly accessible website of the company. Seeking to ensure the right of foreigners to familiarize with the information, whenever feasible, documents referred to in this recommendation should be published in English and/or other foreign languages. Documents referred to in this recommendation may be published on the publicly accessible website of the company to the extent that publishing of these documents is not detrimental to the company or the company's commercial secrets are not revealed.	Yes	All information dedicated to the shareholders and investors is announced on the company's website and through NASDAQ OMX Vilnius and Warsaw Stock Exchange information systems.
6.6. Shareholders should be furnished with the opportunity to vote in the general shareholders' meeting in person and in absentia. Shareholders should not be prevented from voting in writing in advance by completing the general voting ballot.	Yes	The company's shareholders may exercise their rights to participate in the general shareholders' meeting both personally and via an attorney, if such person has a proper authorization.
6.7. With a view to increasing the shareholders' opportunities to participate effectively at shareholders' meetings, the companies are recommended to expand use of modern technologies in voting processes by allowing the shareholders to vote in general meetings via terminal equipment of telecommunications. In such cases security of telecommunication equipment, text protection and a possibility to identify the signature of the voting person should be guaranteed. Moreover, companies could furnish its shareholders, especially foreigners, with the opportunity to watch shareholder meetings by means of modern technologies.	No	The company does not follow this recommendation. In the future, the Company will seek to implement such possibility.
Principle VII: The avoidance of conflicts of interest and their disclosure **The corporate governance framework should encourage members of the corporate bodies to avoid conflicts of interest and assure transparent and effective mechanism of disclosure of conflicts of interest regarding members of the corporate bodies.**		
7.1. Any member of the company's supervisory and management body should avoid a situation, in which his/her personal interests are in conflict or may be in conflict with the company's interests. In case such a situation did occur, a member of the company's supervisory and management body should, within reasonable time, inform other members of the same collegial body or the company's body that has elected him/her, or to the company's shareholders about a situation of a conflict of interest, indicate the nature of the conflict and value, where possible.	Yes	The Supervisory Council and Board members act according to the following recommendations.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
7.2. Any member of the company's supervisory and management body may not mix the company's assets, the use of which has not been mutually agreed upon, with his/her personal assets or use them or the information which he/she learns by virtue of his/her position as a member of a corporate body for his/her personal benefit or for the benefit of any third person without a prior agreement of the general shareholders' meeting or any other corporate body authorized by the meeting.	Yes	See 7.1
7.3. Any member of the company's supervisory and management body may conclude a transaction with the company, a member of a corporate body of which he/she is. Such a transaction (except insignificant ones due to their low value or concluded when carrying out routine operations in the company under usual conditions) must be immediately reported in writing or orally, by recording this in the minutes of the meeting, to other members of the same corporate body or to the corporate body that has elected him/her or to the company's shareholders. Transactions specified in this recommendation are also subject to recommendation 4.5.	Yes	See 7.1
7.4. Any member of the company's supervisory and management body should abstain from voting when decisions concerning transactions or other issues of personal or business interest are voted on.	Yes	See 7.1
Principle VIII: Company's remuneration policy **Remuneration policy and procedure for approval, revision and disclosure of directors' remuneration established in the company should prevent potential conflicts of interest and abuse in determining remuneration of directors, in addition it should ensure publicity and transparency both of company's remuneration policy and remuneration of directors.**		
8.1. A company should make a public statement of the company's remuneration policy (hereinafter the remuneration statement). This statement should be part of the company's annual accounts. Remuneration statement should also be posted on the company's website.	No	The Company does not prepare a remuneration policy. Information about the benefits and loans for the members of the management bodies is provided in the annual prospectuses – reports, financial accounts.
8.2. Remuneration statement should mainly focus on directors' remuneration policy for the following year and, if appropriate, the subsequent years. The statement should contain a summary of the implementation of the remuneration policy in the previous financial year. Special attention should be given to any significant changes in company's remuneration policy as compared to the previous financial year.	No	See 8.1
8.3. Remuneration statement should leastwise include the following information: 1) Explanation of the relative importance of the variable and non-variable components of directors' remuneration; 2) Sufficient information on performance criteria that entitles directors to share options, shares or variable components of remuneration; 3) Sufficient information on the linkage between the remuneration and performance; 4) The main parameters and rationale for any annual bonus scheme and any other non-cash benefits; 5) A description of the main characteristics of supplementary pension or early retirement schemes for directors.	No	See 8.1

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
8.4. Remuneration statement should also summarize and explain company's policy regarding the terms of the contracts executed with executive directors and members of the management bodies. It should include, inter alia, information on the duration of contracts with executive directors and members of the management bodies, the applicable notice periods and details of provisions for termination payments linked to early termination under contracts for executive directors and members of the management bodies.	No	See 8.1
8.5. The information on preparatory and decision-making processes, during which a policy of remuneration of directors is being established, should also be disclosed. Information should include data, if applicable, on authorities and composition of the remuneration committee, names and surnames of external consultants whose services have been used in determination of the remuneration policy as well as the role of shareholders' annual general meeting.	No	See 8.1
8.6. Without prejudice to the role and organization of the relevant bodies responsible for setting directors' remunerations, the remuneration policy or any other significant change in remuneration policy should be included into the agenda of the shareholders' annual general meeting. Remuneration statement should be put for voting in shareholders' annual general meeting. The vote may be either mandatory or advisory.	No	See 8.1
8.7. Remuneration statement should also contain detailed information on the entire amount of remuneration, inclusive of other benefits, that was paid to individual directors over the relevant financial year. This document should list at least the information set out in items 8.7.1 to 8.7.4 for each person who has served as a director of the company at any time during the relevant financial year.	No	See 8.1
8.7.1. The following remuneration and/or emoluments-related information should be disclosed: 1) The total amount of remuneration paid or due to the director for services performed during the relevant financial year, inclusive of, where relevant, attendance fees fixed by the annual general shareholders meeting; 2) The remuneration and advantages received from any undertaking belonging to the same group; 3) The remuneration paid in the form of profit sharing and/or bonus payments and the reasons why such bonus payments and/or profit sharing were granted; 4) If permissible by the law, any significant additional remuneration paid to directors for special services outside the scope of the usual functions of a director; 5) Compensation receivable or paid to each former executive director or member of the management body as a result of his resignation from the office during the previous financial year; 6) Total estimated value of non-cash benefits considered as remuneration, other than the items covered in the above points.	No	See 8.1

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
8.7.2. As regards shares and/or rights to acquire share options and/or all other share-incentive schemes, the following information should be disclosed: 1) The number of share options offered or shares granted by the company during the relevant financial year and their conditions of application; 2) The number of shares options exercised during the relevant financial year and, for each of them, the number of shares involved and the exercise price or the value of the interest in the share incentive scheme at the end of the financial year; 3) The number of share options unexercised at the end of the financial year; their exercise price, the exercise date and the main conditions for the exercise of the rights; 4) All changes in the terms and conditions of existing share options occurring during the financial year. 8.7.3. The following supplementary pension schemes-related information should be disclosed: 1) When the pension scheme is a defined-benefit scheme, changes in the directors' accrued benefits under that scheme during the relevant financial year; 2) When the pension scheme is defined-contribution scheme, detailed information on contributions paid or payable by the company in respect of that director during the relevant financial year. 8.7.4. The statement should also state amounts that the company or any subsidiary company or entity included in the consolidated annual financial statements of the company has paid to each person who has served as a director in the company at any time during the relevant financial year in the form of loans, advance payments or guarantees, including the amount outstanding and the interest rate.	No	See 8.1
8.8. Schemes anticipating remuneration of directors in shares, share options or any other right to purchase shares or be remunerated on the basis of share price movements should be subject to the prior approval of shareholders' annual general meeting by way of a resolution prior to their adoption. The approval of scheme should be related with the scheme itself and not to the grant of such share-based benefits under that scheme to individual directors. All significant changes in scheme provisions should also be subject to shareholders' approval prior to their adoption; the approval decision should be made in shareholders' annual general meeting. In such case shareholders should be notified on all terms of suggested changes and get an explanation on the impact of the suggested changes.	N/A	The Company does not use such remuneration policy.
8.9. The following issues should be subject to approval by the shareholders' annual general meeting: 1) Grant of share-based schemes, including share options, to directors; 2) Determination of maximum number of shares and main conditions of share granting; 3) The term within which options can be exercised; 4) The conditions for any subsequent change in the exercise of the options, if permissible by law; 5) All other long-term incentive schemes for which directors are eligible and which are not available to other employees of the company under similar terms. Annual general meeting should also set the deadline within which the body responsible for remuneration of directors may award compensations listed in this article to individual directors.	N/A	See 8.8

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
8.10. Should national law or company's Articles of Association allow, any discounted option arrangement under which any rights are granted to subscribe to shares at a price lower than the market value of the share prevailing on the day of the price determination, or the average of the market values over a number of days preceding the date when the exercise price is determined, should also be subject to the shareholders' approval.	N/A	See 8.8
8.11. Provisions of Articles 8.8 and 8.9 should not be applicable to schemes allowing for participation under similar conditions to company's employees or employees of any subsidiary company whose employees are eligible to participate in the scheme and which has been approved in the shareholders' annual general meeting.	N/A	See 8.8
8.12. Prior to the annual general meeting that is intended to consider decision stipulated in Article 8.8, the shareholders must be provided an opportunity to familiarize with draft resolution and project-related notice (the documents should be posted on the company's website). The notice should contain the full text of the share-based remuneration schemes or a description of their key terms, as well as full names of the participants in the schemes. Notice should also specify the relationship of the schemes and the overall remuneration policy of the directors. Draft resolution must have a clear reference to the scheme itself or to the summary of its key terms. Shareholders must also be presented with information on how the company intends to provide for the shares required to meet its obligations under incentive schemes. It should be clearly stated whether the company intends to buy shares in the market, hold the shares in reserve or issue new ones. There should also be a summary on scheme-related expenses the company will suffer due to the anticipated application of the scheme. All information given in this article must be posted on the company's website.	N/A	See 8.8
Principle IX: The role of stakeholders in corporate governance **The corporate governance framework should recognize the rights of stakeholders as established by law and encourage active co-operation between companies and stakeholders in creating the company value, jobs and financial sustainability. For the purposes of this Principle, the concept "stakeholders" includes investors, employees, creditors, suppliers, clients, local community and other persons having certain interest in the company concerned.**		
9.1. The corporate governance framework should assure that the rights of stakeholders that are protected by law are respected.	Yes	The company respects the rights of stakeholders which are protected by the laws and which authorize the stakeholders to participate in the management of the company in the manner set forth in the laws.
9.2. The corporate governance framework should create conditions for the stakeholders to participate in corporate governance in the manner prescribed by law. Examples of mechanisms of stakeholder participation in corporate governance include: employee participation in adoption of certain key decisions for the company; consulting the employees on corporate governance and other important issues; employee participation in the company's share capital; creditor involvement in governance in the context of the company's insolvency, etc.	Yes	See 9.1
9.3. Where stakeholders participate in the corporate governance process, they should have access to relevant information.	Yes	See 9.1

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
Principle X: Information disclosure and transparency **The corporate governance framework should ensure that timely and accurate disclosure is made on all material information regarding the company, including the financial situation, performance and governance of the company.**		
10.1. The company should disclose information on: 1) The financial and operating results of the company; 2) Company objectives; 3) Persons holding by the right of ownership or in control of a block of shares in the company; 4) Members of the company's supervisory and management bodies, chief executive officer of the company and their remuneration; 5) Material foreseeable risk factors; 6) Transactions between the company and connected persons, as well as transactions concluded outside the course of the company's regular operations; 7) Material issues regarding employees and other stakeholders; 8) Governance structures and strategy.	Yes	Information set forth in this recommendation is disclosed in the periodic prospectuses-reports, annual report, website, and through NASDAQ OMX Vilnius and Warsaw Stock Exchange information systems.
This list should be deemed as a minimum recommendation, while the companies are encouraged not to limit themselves to disclosure of the information specified in this list	Yes	See 10.1
10.2. It is recommended that consolidated results of the whole group to which the company belongs should be disclosed when information specified in item 1 of Recommendation 10.1 is under disclosure. 10.3. It is recommended that information on the professional background, qualifications of the members of supervisory and management bodies, chief executive officer of the company should be disclosed as well as potential conflicts of interest that may have an effect on their decisions when information specified in item 4 of Recommendation 10.1 about the members of the company's supervisory and management bodies is under disclosure. It is also recommended that information about the amount of remuneration received from the company and other income should be disclosed with regard to members of the company's supervisory and management bodies and chief executive officer as per Principle VIII. 10.4. It is recommended that information about the links between the company and its stakeholders, including employees, creditors, suppliers, local community, as well as the company's policy with regard to human resources, employee participation schemes in the company's share capital, etc. should be disclosed when information specified in item 7 of Recommendation 10.1 is under disclosure. 10.5. Information should be disclosed in such a way that neither shareholders nor investors are discriminated with regard to the manner or scope of access to information. Information should be disclosed to all simultaneously. It is recommended that notices about material events should be announced before or after a trading session on the Vilnius Stock Exchange, so that all the company's shareholders and investors should have equal access to the information and make informed investing decisions	Yes Yes	See 10.1 Information is provided by the company and through NASDAQ OMX Vilnius and Warsaw Stock Exchange information systems in the Lithuanian (only via NASDAQ OMX Vilnius) and English languages at the same time, as much as it is possible. The exchange announces the information received in their website and trade system, this way ensuring simultaneous provision of information to everyone. The company does not disclose information that may have an effect on the price of securities issued by the company in the commentaries, interview or other ways as long as such information is publicly announced via the information system of the Stock Exchange.

PRINCIPLES/ RECOMMENDATIONS	YES/NO /NOT APPLICABLE	COMMENTARY
10.6. Channels for disseminating information should provide for fair, timely and cost-efficient access to relevant information by users. It is recommended that information technologies should be employed for wider dissemination of information, for instance, by placing the information on the company's website. It is recommended that information should be published and placed on the company's website not only in Lithuanian, but also in English, and, whenever possible and necessary, in other languages as well.	Yes	Information is provided by the company and through NASDAQ OMX Vilnius and Warsaw Stock Exchange information systems in the Lithuanian (only via NASDAQ OMX Vilnius) and English languages at the same time, as much as it is possible. The exchange announces the information received in their website and trade system, this way ensuring simultaneous, timely and cheap provision of information to everyone.
10.7. It is recommended that the company's annual reports and other periodical accounts prepared by the company should be placed on the company's website. It is recommended that the company should announce information about material events and changes in the price of the company's shares on the Stock Exchange on the company's website too.	Yes	The Company follows this recommendation.
Principle XI: The selection of the company's auditor **The mechanism of the selection of the company's auditor should ensure independence of the firm of auditor's conclusion and opinion.**		
11.1. An annual audit of the company's financial statements and report should be conducted by an independent firm of auditors in order to provide an external and objective opinion on the company's financial statements.	Yes	An independent audit company audits the annual financial statements and annual report.
11.2. It is recommended that the company's supervisory board and, where it is not set up, the company's board should propose a candidate firm of auditors to the general shareholders' meeting.	No	The candidature of the audit company is suggested to the general shareholders meeting by the company's Board.
11.3. It is recommended that the company should disclose to its shareholders the level of fees paid to the firm of auditors for non-audit services rendered to the company. This information should be also known to the company's supervisory board and, where it is not formed, the company's board upon their consideration which firm of auditors to propose for the general shareholders' meeting.	N/A	The audit company did not provide non-audit services to the company.

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