



VILVI GROUP

THE RESULTS OF Q1 2023



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1. MAIN EVENTS DURING Q1 2023

Achievements:

The Sustainable Brand Index™ 2023 study conducted by the Swedish research company SB Insight has revealed which brands are considered the most sustainable by Lithuanian citizens. **Vilkyškių pieninė, AB ranked second among the most sustainable brands of the food and beverage industry in Lithuania.** We are the leaders when compared to other dairy producers. Among all 84 brands ranked, AB Vilkyškių pieninė was ranked 16th. Consumers assessed brands on the basis of sustainability - environmental and social responsibility criteria.



PRODUCT NEWS



The line of *less sugar* yogurts was supplemented with **yogurt with mango, passion fruit and Spanish sage Chia seeds**. It contains much less sugar compared to the average sugar content of similar yogurts in Lithuania

EXTENDED/ISSUED CERTIFICATES

Halal certificates have been extended for Vilkyškių pieninė AB, Kelmės pieninė AB, „Modest“ AB and Baltic Dairy Board, SIA.

Organic certificate has been extended for Baltic Dairy Board, SIA.

Exhibitions:

In 20-24 February, "Vilvi Group" traditionally took part in the international exhibition of food industry "Gulfood" in Dubai, The United Arab Emirates. The main focus was on mozzarella cheese and milk/whey powder



2. MAIN FINANCIAL INDICATORS

	Q1 2019	Q1 2020	Q1 2021	Q1 2022	Q1 2023
Revenue (Thousands EUR)	27,414	29,103	31,653	50,447	53,666
EBITDA (Thousands EUR)	115	1,584	942	4,493	2,803
EBITDA margin (%)	0.4%	5.4%	3.0%	8.9%	5.2%
Net profit (loss) (Thousands EUR)	-820	502	-197	3,044	1,494
Profit (loss) margin (%)	-3.0%	1.7%	-0.6%	6.0%	2.8%
Quantity of purchased milk, t	57,446	68,837	67,305	78,587	73,104
Profit (loss) per share (EUR)	-0.07	0.04	-0.02	0.25	0.13
Net financial debt (Thousands EUR)	29,552	24,912	19,320	20,524	10,896

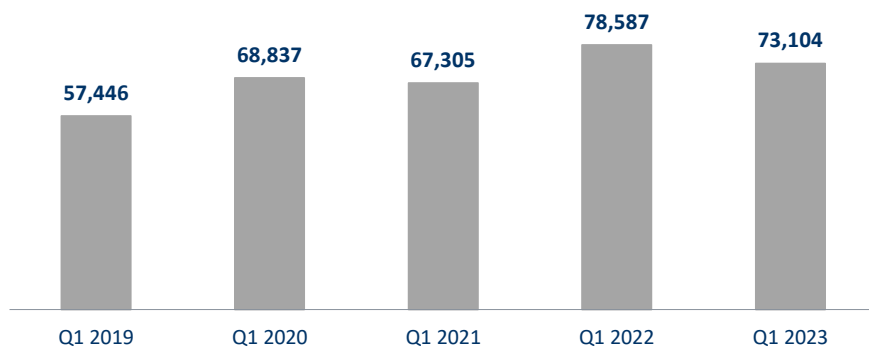
During Q1 2023 **sales revenue** increased by 6.4 percent, comparing with the same period last year and amounted to 53.666 MEUR.

EBITDA reached 2.8 MEUR (decreased by 37.6 percent comparing with the same period last year). The decrease was largely due to lower export prices for cream and dry dairy products.

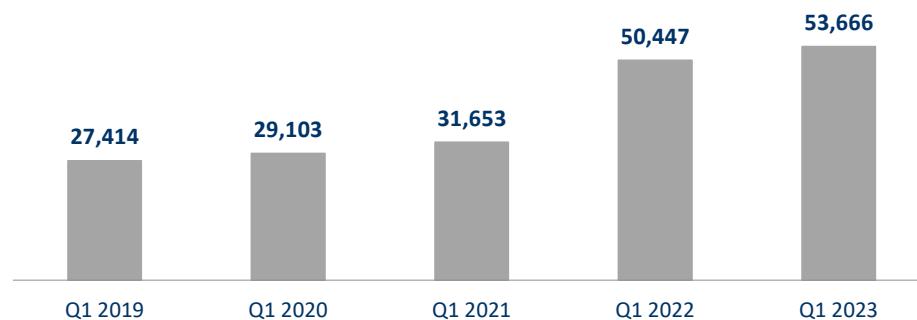
During 3 months of 2023 **net profit** of the group came to 1.5 MEur and was 51 percent lower than at the same period last year.

During 3 months of 2023 a total of 73.104 tho tones of basic indicators milk was purchased (decreased by 7 % comparing with 3 months of 2022). Less milk was bought and processed as a result of routine maintenance works on production facilities in February.

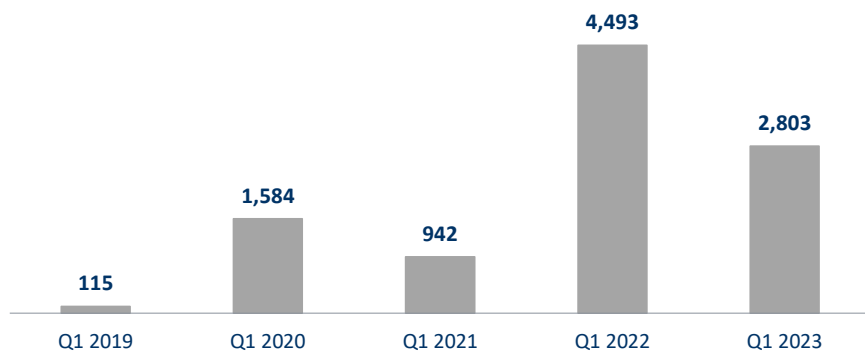
QUANTITY OF PUCHASED MILK, T



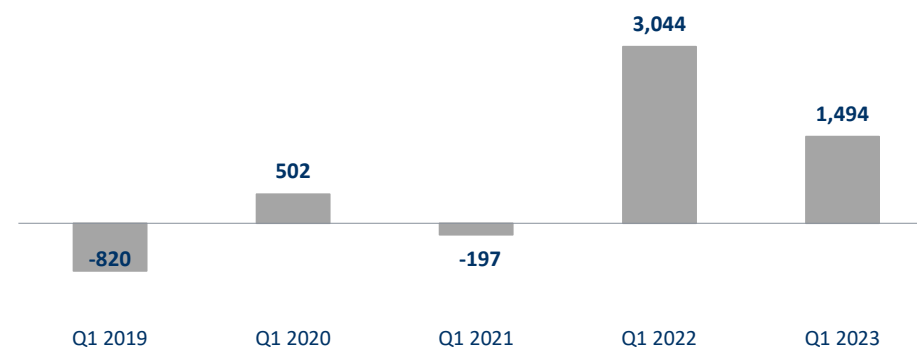
REVENUE, THOUSANDS EUR



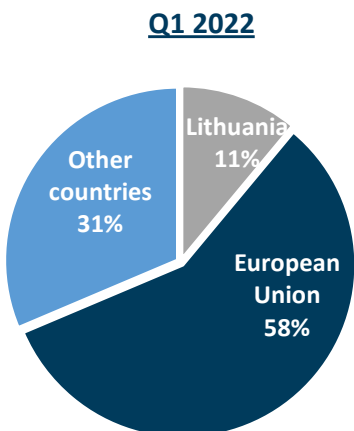
EBITDA, THOUSANDS EUR



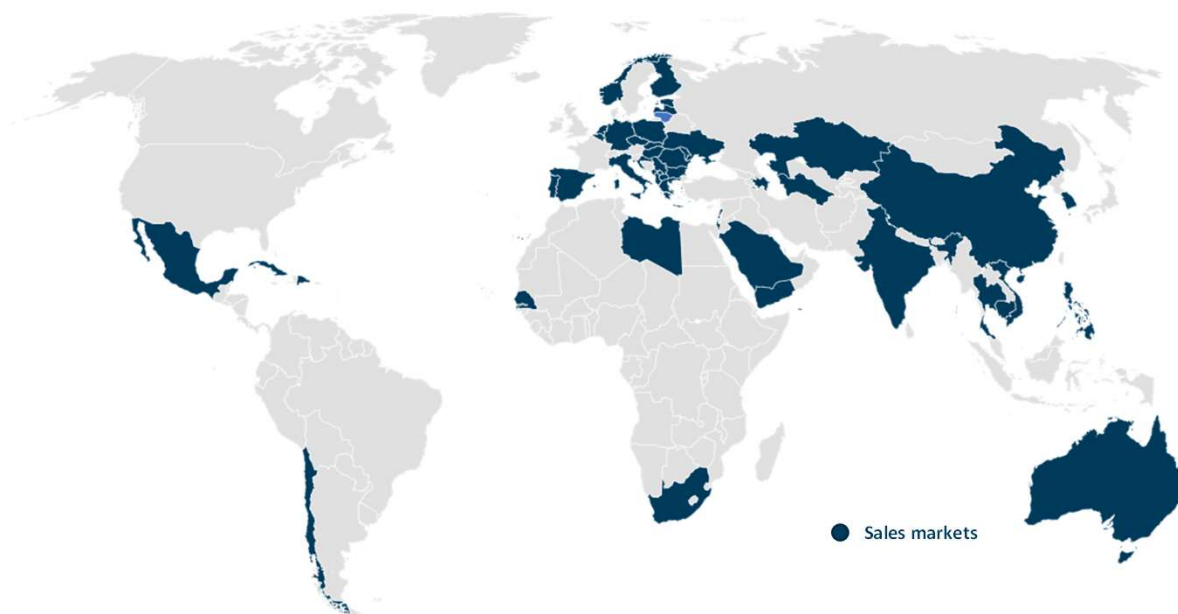
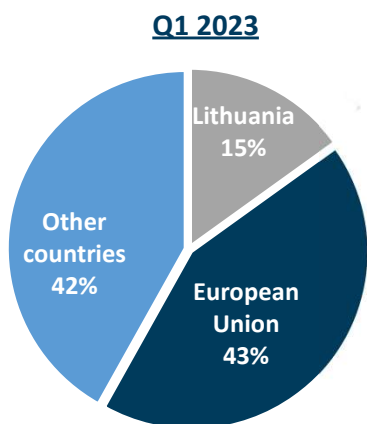
NET PROFIT (LOSS), THOUSANDS EUR



3. SALES REVENUE BY MARKETS



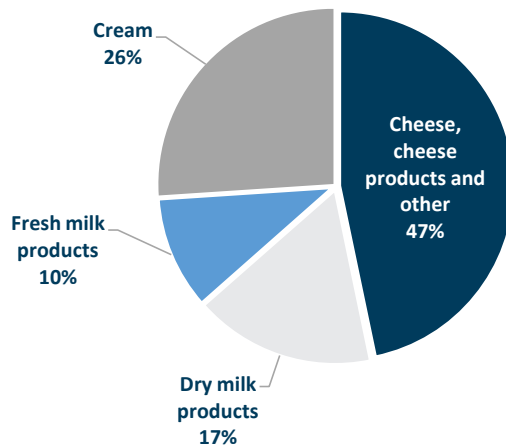
(Thousand EUR)	Q1 2022		Q1 2023	
Lithuania	5,574	11%	8,327	15%
European Union	29,050	58%	22,986	43%
Other countries	15,823	31%	22,353	42%
Total revenue:	50,447		53,666	



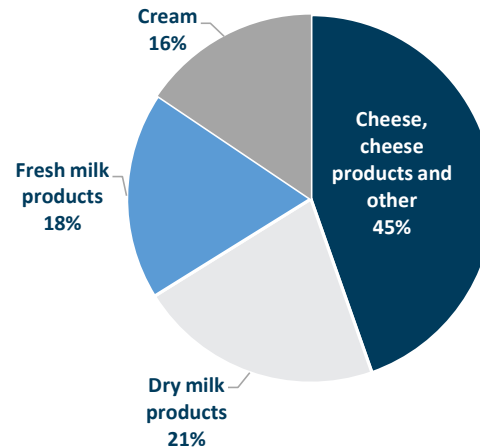
4. SALES REVENUE BY OPERATING SEGMENTS

(Thousand EUR)	Q1 2022		Q1 2023	
Cheese, cheese products and other	23,571	47%	23,945	45%
Dry milk products	8,462	17%	11,553	21%
Fresh milk products	5,272	10%	9,817	18%
Cream	13,142	26%	8,351	16%
Total:	50,447		53,666	

Q1 2022



Q1 2023



THE SEGMENT COMPRISES:

- **Cheese, cheese products and other.** Cheese, cheese products and other products produced by the subsidiary and Parent company;
- **Dry milk products.** WPC, MPC, skimmed-milk, permeate, whey and GSO (galacto-oligosaccharides) powder produced by the subsidiaries;
- **Fresh milk products.** Fresh milk products produced by the subsidiary (kephir, yoghurt, sour milk, butter, curd products);
- **Cream.** Industrial cream produced by the subsidiary and Parent company.

5. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Thousand EUR	2023.03.31	2022.12.31
ASSETS		
Property, plant and equipment	48,267	48,365
Right-of-use assets	987	1,082
Intangible assets	4,172	4,175
Non-current amounts receivable	-	111
Non-current assets	53,426	53,733
Inventories	14,720	25,493
Trade and other receivables	14,531	17,875
Prepayments	931	741
Cash and cash equivalents	9,245	621
Current assets	39,427	44,730
Total assets	92,853	98,463
Share capital	3,463	3,463
Share premium	3,301	3,301
Reserves	2,051	2,068
Retained earnings	42,306	40,749
Total equity attributable to owners of the Company	51,121	49,581
Non-controlling interest	276	321
Total equity	51,397	49,902
Borrowings	12,419	12,978
Lease liabilities	444	399
Government grants	3,637	3,743
Trade and other payables	42	42
Deferred income tax liability	660	790
Non-current liabilities	17,202	17,952
Borrowings	6,993	9,238
Lease liabilities	285	314
Income tax payable	344	344
Trade and other payables	16,632	20,713
Current liabilities	24,254	30,609
Total liabilities	41,456	48,561
Total equity and liabilities	92,853	98,463

6. CONSOLIDATED INCOME STATEMENT

Thousand EUR	2023.01.01- 2023.03.31	2022.01.01- 2022.03.31
Revenue	53,666	50,447
Cost of sales	-49,486	-45,023
Gross profit (loss)	4,180	5,424
Other operating income	56	86
Distribution expenses	-1,297	-1,017
Administrative expenses	-1,237	-1,000
Other operating expenses	-55	-42
Other gain (loss) - net	96	3
Results of operating activities	1,743	3,454
Finance income	8	60
Finance costs	-387	-215
Finance costs, net	-379	-155
Profit (loss) before income tax	1,364	3,299
Income tax expenses	130	-255
Profit (loss) for the period	1,494	3,044
Attributable to:		
Shareholders of the Company	1,538	3,031
Non-controlling interest	-44	13
Profit (loss) for the period	1,494	3,044
Basic and diluted earnings per share (in EUR)	0.13	0.25

7. CONSOLIDATED STATEMENT OF CASH FLOWS

Thousand EUR	2023.01.01- 2023.03.31	2022.01.01- 2022.03.31
Profit (loss) for the period	1,494	3,044
Depreciation of property, plant and equipment	1,163	1,154
Amortization of intangible assets	2	4
Amortization and write-off of grants	-105	-119
Change in inventory write-down allowance	-1,009	-
Loss (gain) from disposal of property, plant and equipment	-91	-
Income tax expenses	-130	255
Finance costs, net	379	155
	1,697	4,493
Change in inventories	11,781	1,405
Change in non-current amounts receivable	111	59
Change in trade and other receivables and prepayments	3,087	-2,667
Change in trade and other payables	-4,046	-1,319
	12,630	1,971
Interest paid	-281	-90
Income tax paid	-45	-
Net cash flows generated from operating activities	12,304	1,881
Payments for acquisition of property, plant and equipment	-987	-403
Payments for acquisition of intangible assets	2	-
Proceeds from sale of property, plant and equipment	236	2
Government grants received	-	9
Loans granted	-	-
Loans recovered	11	1,351
Net cash flows generated from (used in) investing activities	-738	959
Proceeds from borrowings	415	6,100
Repayments of borrowings	-3,219	-7,259
Lease payments	-138	-90
Net cash flows generated from (used in) financing activities	-2,942	-1,249
Net increase (decrease) in cash and cash equivalents	8,624	1,591
Cash and cash equivalents at 1 January	621	799
Cash and cash equivalents at 31 March	9,245	2,390



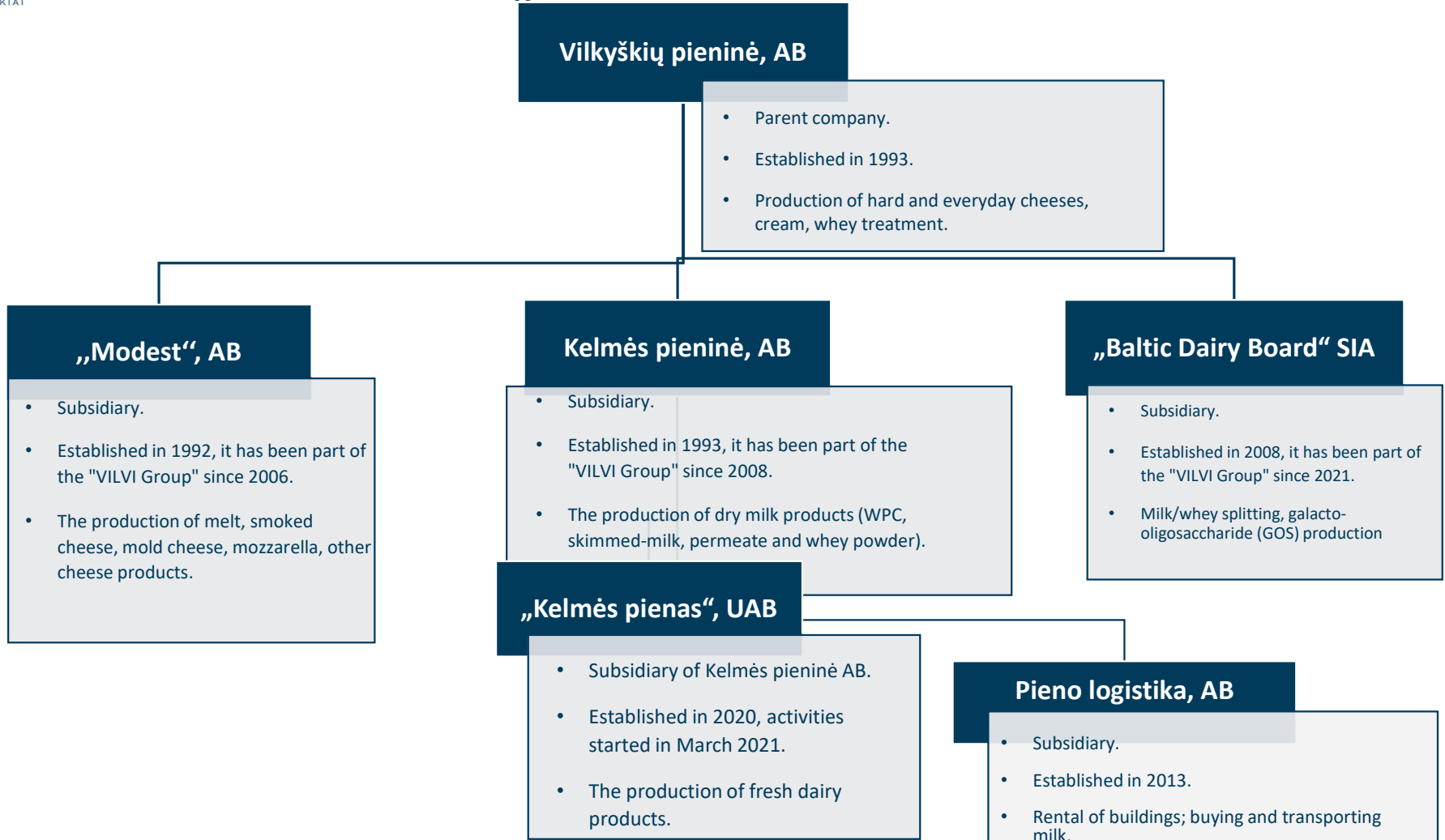
ADDITIONAL INFORMATION



8. ABOUT “VILVI GROUP”

- ✓ Company was established in 1993.
 - ✓ Company's share capital amounts to 3.5 million EUR.
 - ✓ The Company's issue is included in the Official List of AB NASDAQ OMX Vilnius.
 - ✓ The ISIN code of the securities: LT0000127508, Ticker symbol: VLP1L.
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- ✓ On the 31th of March 2023 there were a total of 890 employees in the Group;
 - ✓ The production of dairy products is the core of Group business.
 - ✓ Standards: ISO 22000 and FSSC 22000 (Vilkyškių pieninė AB, Kelmės pieninė AB and „Modest“ AB; IFS Food Version 7 („Kelmės pienas“ UAB) “); ISO 50001, FSSC 22000 (Baltic Dairy Board, SIA).

9. STRUCTURE OF „VILVI GROUP“



10. BOARD

Gintaras Bertašius,
Chair of the Board,
CEO of Vilkyškių
pieninė AB

Vilija Milaševičiutė,
Member of the
Board, Chief
Economics and
Financial Officer at
Vilkyškių pieninė
AB

Rimantas Jancevičius,
Member of the
Board, Chief
Purchasing Officer
at Vilkyškių
pieninė AB

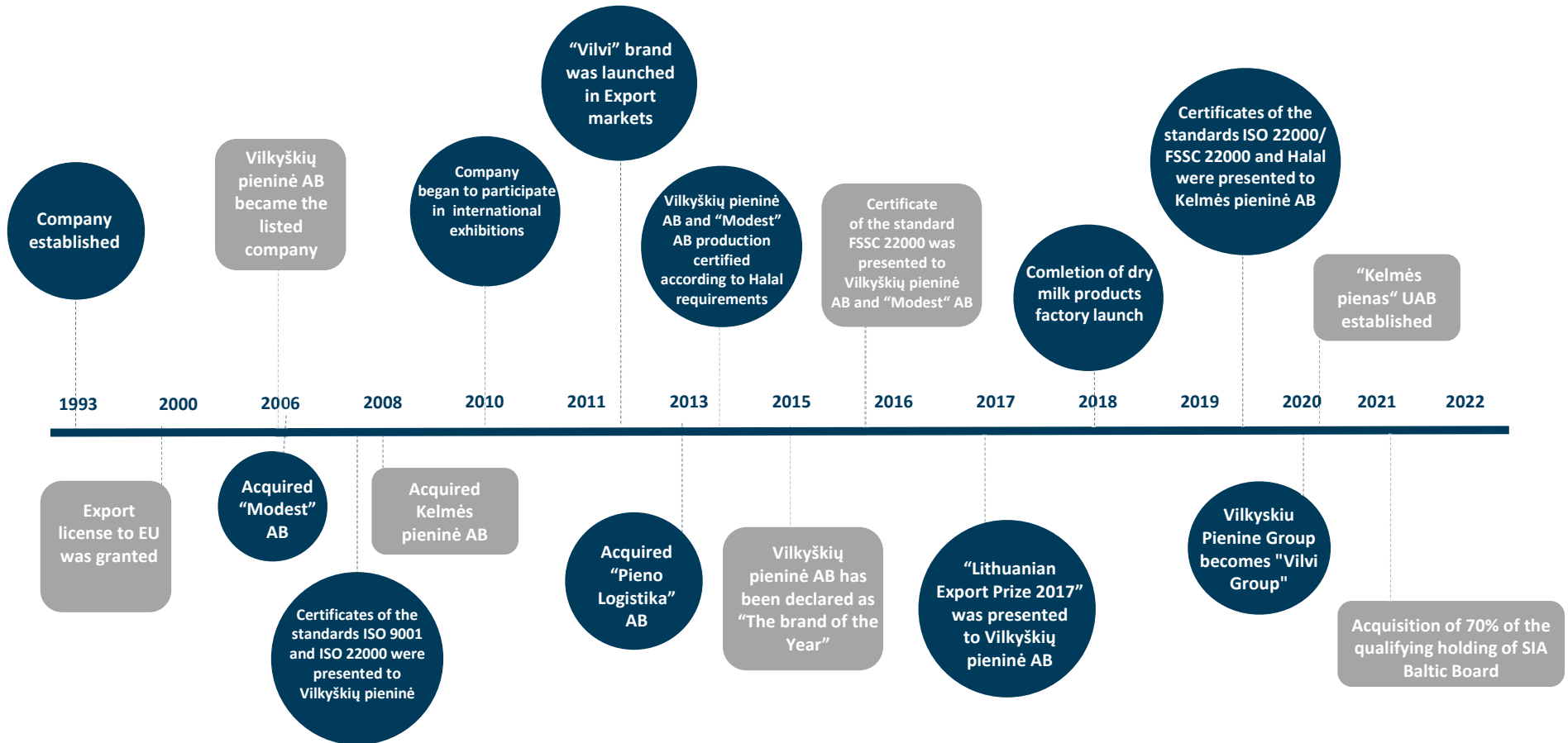
Sigitas Trijonis, Member
of the Board,
Chief Technology
Officer at
Vilkyškių pieninė
AB

Linas Strėlis,
Independent
member of the
Board

Andrej Cyba,
Independent
member of the
Board

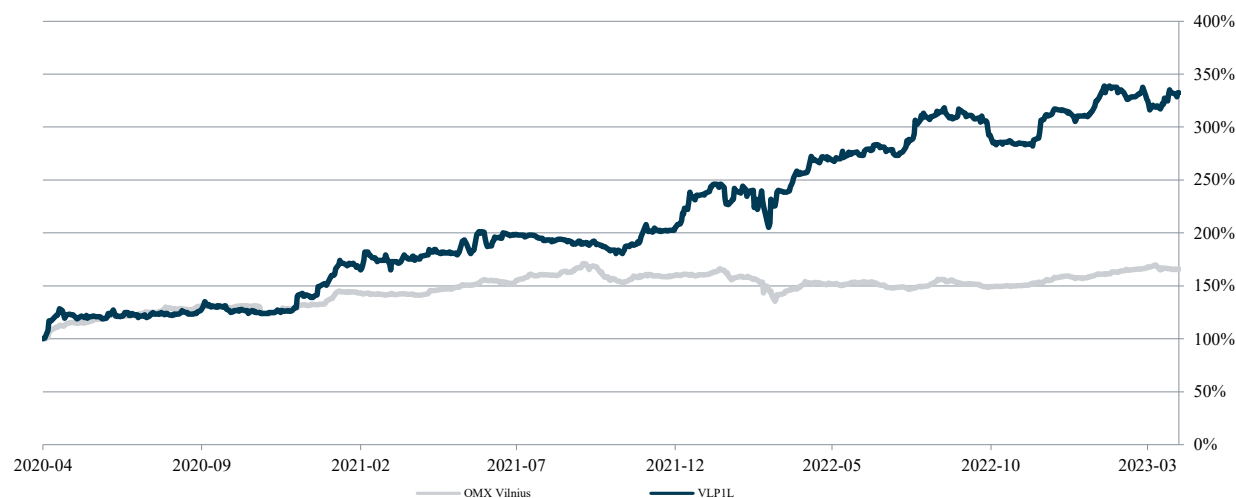
Board members re-elected for a four-year term on 29 April 2022.

11. SHORT HISTORY OF "VILVI GROUP"



12. SHARE PRICE DATA. MAIN SHAREHOLDERS

Comparison of Vilkyškių pieninė AB share price and OMX Vilnius indexes



Shareholder	Shares	Ownership interest
Swisspartners Versicherung AG Zweigniederlassung Österreich	6,994,316	59%*
Multi Asset Selection Fund	2,035,729	17%
Other shareholders	2,912,955	24%
Capital in total:	11,943,000	100%

* Swisspartners Versicherung AG Zweigniederlassung Österreich has granted G. Bertašius (CEO at Vilkyškių pieninė AB) permission to exercise all the non-property rights of the shareholder, including the right to vote at the issuer's shareholders' meetings.

13. CONTACTS:

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Economics and Finance Director

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