



VILVI GROUP

THE RESULTS OF H1 2023



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1. MAIN EVENTS DURING H1 2023

On 14.04.2023 Vilkyškių pieninė, AB, the parent company of Vilvi Group, acquired the remaining 30% of the shares of “Baltic Dairy Board”, SIA* and now owns a 100% shareholding.

*“Baltic Dairy Board”, SIA is a Latvian company, specialising in producing and selling high value-added dairy ingredients, and milk and whey separation.

ACHIEVEMENTS

At „SB Insight,, 2023 study **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. 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.

The line of *Less sugar* curd cheese was supplemented with new - **caramelized banana-flavored** curd cheese, which contains even 40% less sugar.



EXTENDED/ISSUED CERTIFICATES

- ✓ Halal and FSSC 22000 certificates have been extended for Vilkyškių pieninė, AB and “Modest“, AB;
- ✓ Halal, Kosher and FSSC 22000 certificates have been extended for Kelmės pieninė, AB;
- ✓ “Kelmės pienas“ UAB has been granted a certificate for organic production and labeling of organic products (according to Regulation (EU) 2018/848), which indicates that the company, as a subcontractor, can produce organic milk products approved by Ekoagro. Also IFS Food Version 7 certificate has been extended;
- ✓ Organic production certificate and Halal have been extended for “Baltic Dairy Board“, SIA.

EXHIBITIONS

In February, "Vilvi Group" traditionally took part in the international exhibition of food industry "Gulfood 2023" in Dubai, The United Arab Emirates.

The main focus was on mozzarella cheese and milk/whey powder.



2. MAIN FINANCIAL INDICATORS

	H1 2019	H1 2020	H1 2021	H1 2022	H1 2023
Revenue (Thousands EUR)	53,581	55,784	67,835	112,824	103,720
EBITDA (Thousands EUR)	1,208	3,324	3,917	11,568	7,673
EBITDA margin (%)	2.3%	6.0%	5.8%	10.3%	7.4%
Net profit (loss) (Thousands EUR)	-761	1,232	1,544	8,320	4,909
Profit (loss) margin (%)	-1.4%	2.2%	2.3%	7.4%	4.7%
Quantity of purchased milk, t	125,330	132,177	145,740	153,478	154,837
Profit (loss) per share (EUR)	-0.06	0.10	0.13	0.70	0.41
Net financial debt (Thousands EUR)	29,198	23,641	25,857	20,614	12,056

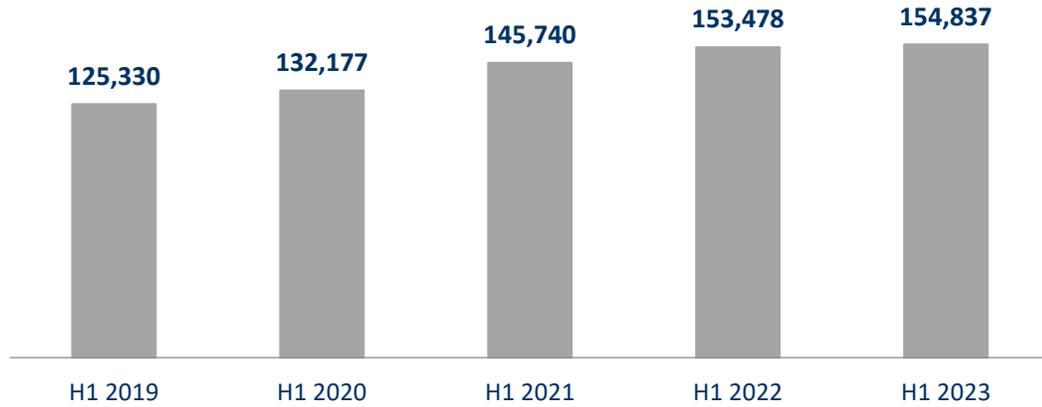
At H1 2023 **sales revenue** decreased by 8.1 percent, comparing with the same period last year and amounted to 103.7 MEUR.

EBITDA reached 7,673 TEUR (decreased by 33.7 % comparing with the same period last year).

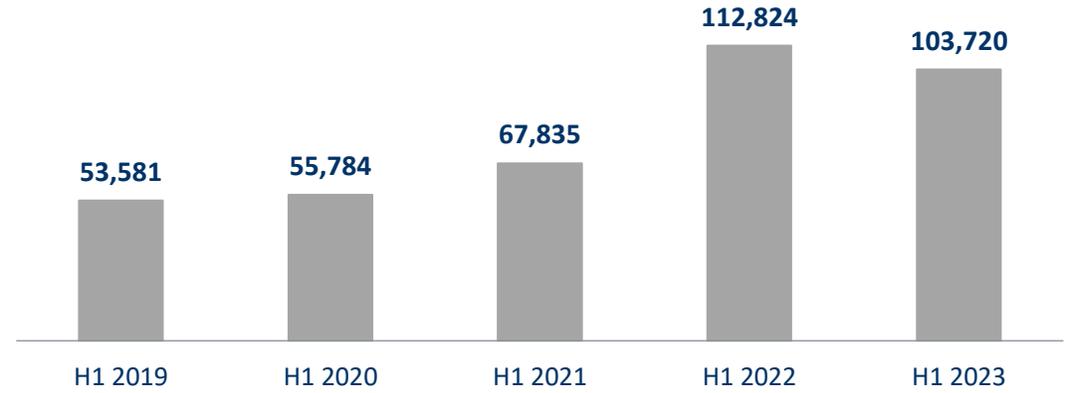
During H1 2023 **net profit** of the group came to 4.9 MEur and compared to the previous year in the same period decreased by 41.0 percent.

During H1 2023 a total of 154.8 tho tones of basic indicators milk was purchased (increased by 0.9 % comparing with H1 2022).

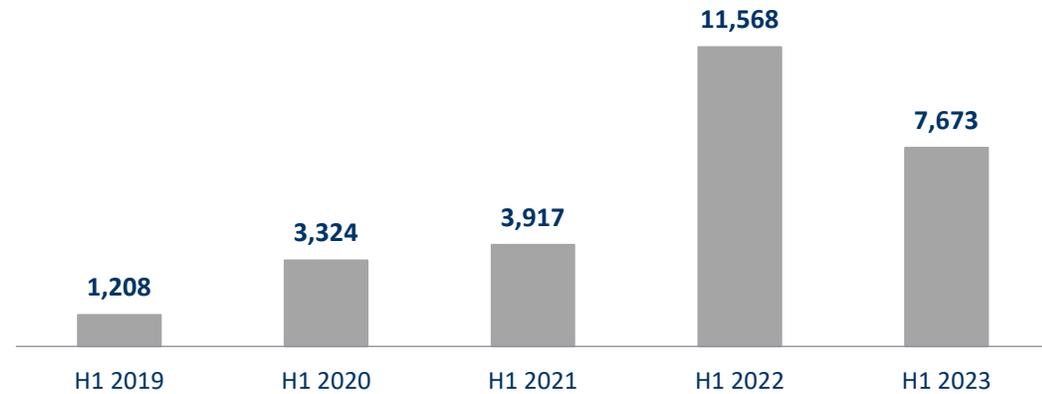
QUANTITY OF PURCHASED MILK, T



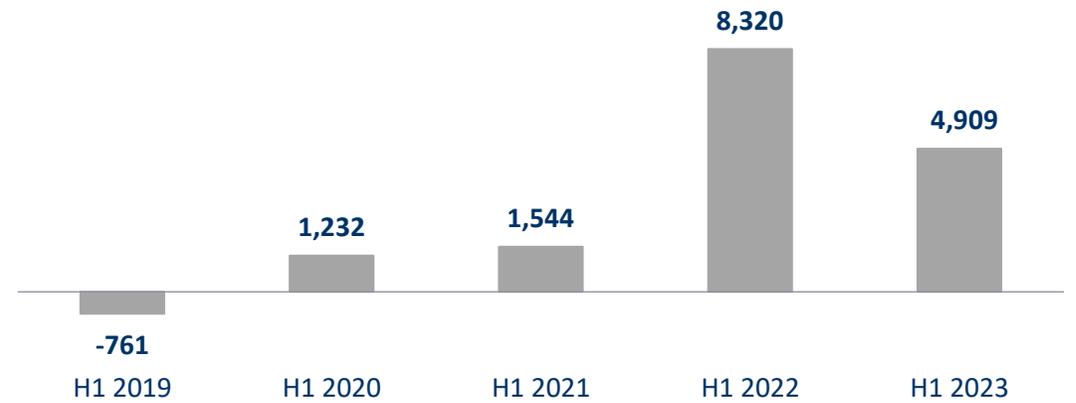
REVENUE, THOUSANDS EUR



EBITDA, THOUSANDS EUR



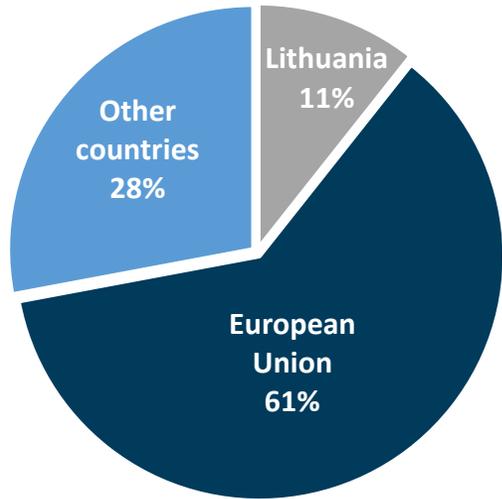
NET PROFIT (LOSS), THOUSANDS EUR



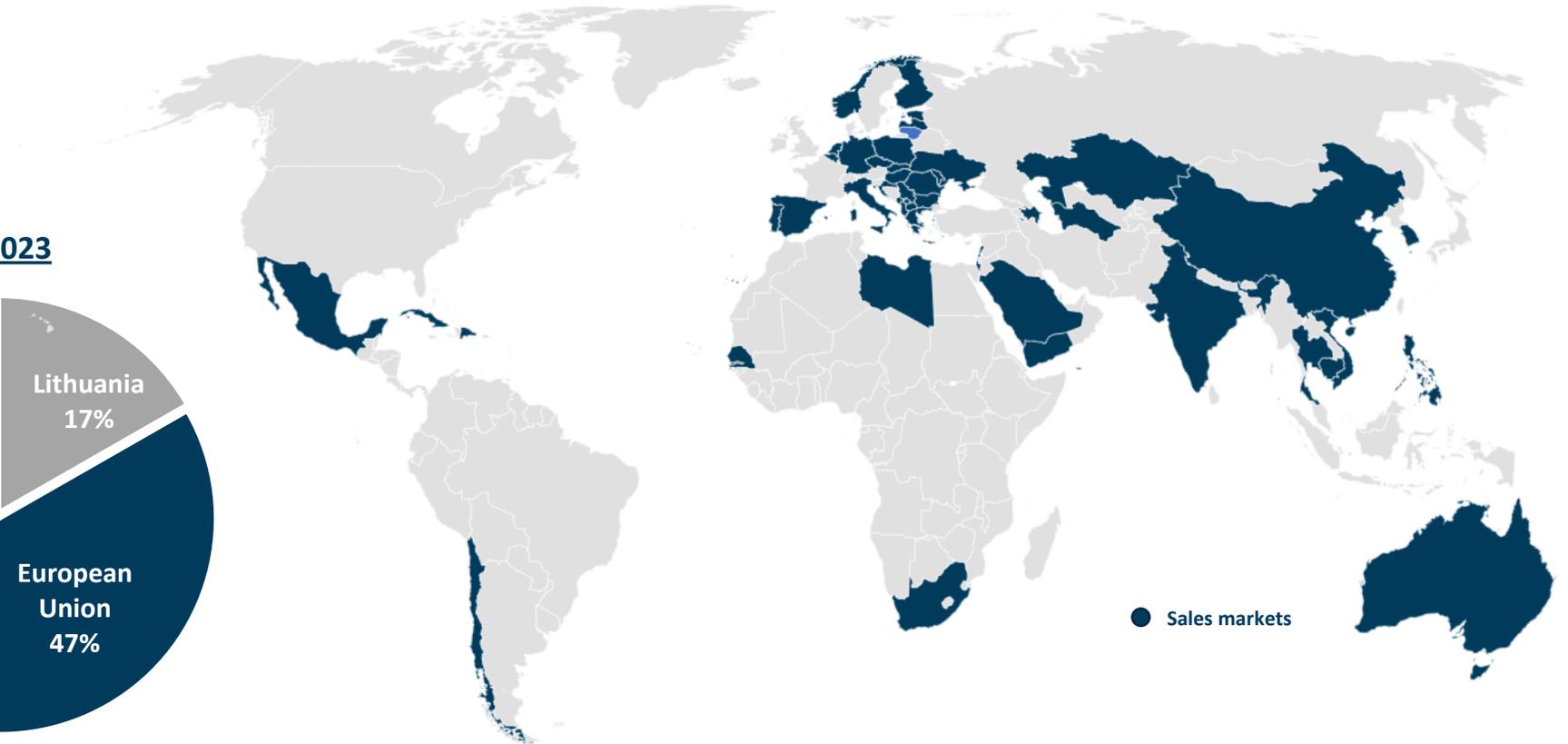
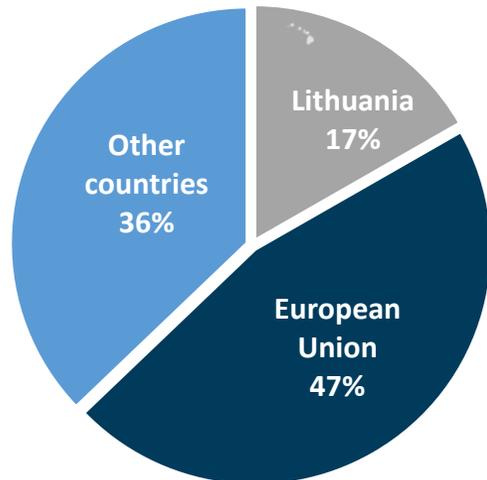
3. SALES REVENUE BY MARKETS

(Thousand EUR)	H1 2022		H1 2023	
Lithuania	11,996	11%	17,076	17%
European Union	69,286	61%	49,104	47%
Other countries	31,542	28%	37,540	36%
Total revenue:	112,824		103,720	

H1 2022



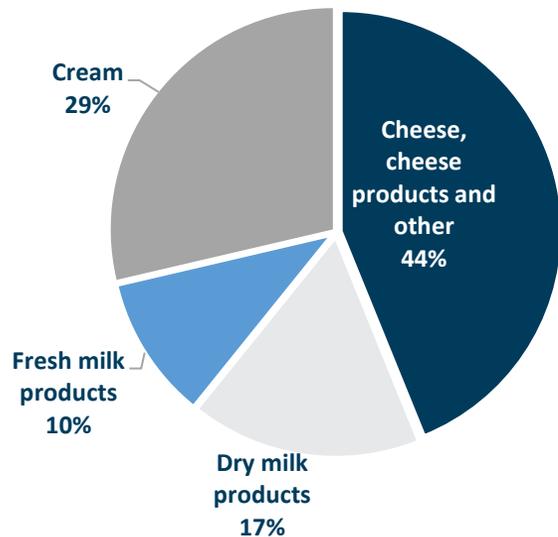
H1 2023



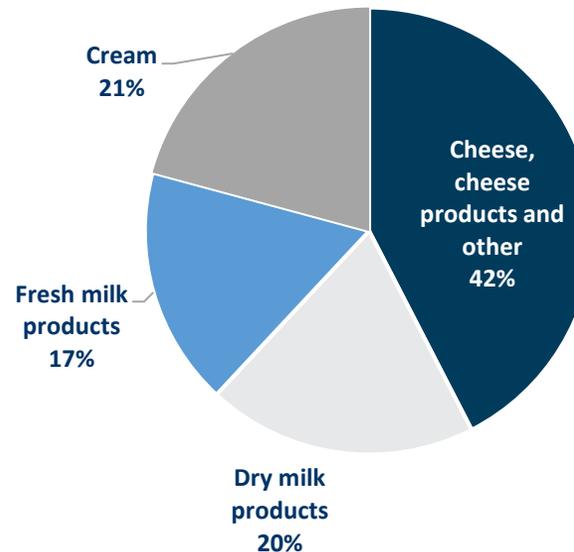
4. SALES REVENUE BY OPERATING SEGMENTS

(Thousand EUR)	H1 2022		H1 2023	
Cheese, cheese products and other	49,504	44%	44,025	42%
Dry milk products	19,057	17%	20,205	20%
Fresh milk products	11,925	10%	17,928	17%
Cream	32,338	29%	21,562	21%
Total:	112,824		103,720	

H1 2022



H1 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, skimmed-milk, permeate and whey powder produced by the subsidiary;
- **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	2023.06.30	2022.12.31
ASSETS		
Property, plant and equipment	48,119	48,365
Right-of-use assets	944	1,082
Intangible assets	4,170	4,175
Non-current amounts receivable	321	111
Non-current assets	53,554	53,733
Inventories	14,177	25,493
Trade and other receivables	15,956	17,875
Prepayments	682	741
Cash and cash equivalents	7,246	621
Current assets	38,061	44,730
Total assets	91,615	98,463
Share capital	3,463	3,463
Share premium	3,301	3,301
Reserves	1,926	2,068
Retained earnings	42,541	40,749
Total equity attributable to owners of the Company	51,231	49,581
Non-controlling interest	16	321
Total equity	51,247	49,902
Borrowings	11,860	12,978
Lease liabilities	408	399
Government grants	3,533	3,743
Trade and other payables	42	42
Deferred income tax liability	774	790
Non-current liabilities	16,617	17,952
Borrowings	6,752	9,238
Lease liabilities	282	314
Income tax payable	-	344
Trade and other payables	16,717	20,713
Current liabilities	23,751	30,609
Total liabilities	40,368	48,561
Total equity and liabilities	91,615	98,463

6. CONSOLIDATED INCOME STATEMENT

Thousand EUR	2023.01.01- 2023.06.30	2022.01.01- 2022.06.30
Revenue	103,720	112,824
Cost of sales	-93,593	-99,115
Gross profit (loss)	10,127	13,709
Other operating income	111	151
Distribution expenses	-2,308	-2,278
Administrative expenses	-2,371	-2,145
Other operating expenses	-111	-83
Other gain (loss) - net	122	73
Results of operating activities	5,569	9,427
Finance income	15	225
Finance costs	-695	-396
Finance costs, net	-680	-171
Profit (loss) before income tax	4,889	9,256
Income tax expenses	19	-936
Profit (loss) for the period	4,909	8,320
Attributable to:		
Shareholders of the Company	4,912	8,250
Non-controlling interest	-3	70
Profit (loss) for the period	4,909	8,320
Basic and diluted earnings per share (in EUR)	0.41	0.70

7. CONSOLIDATED STATEMENT OF CASH FLOWS

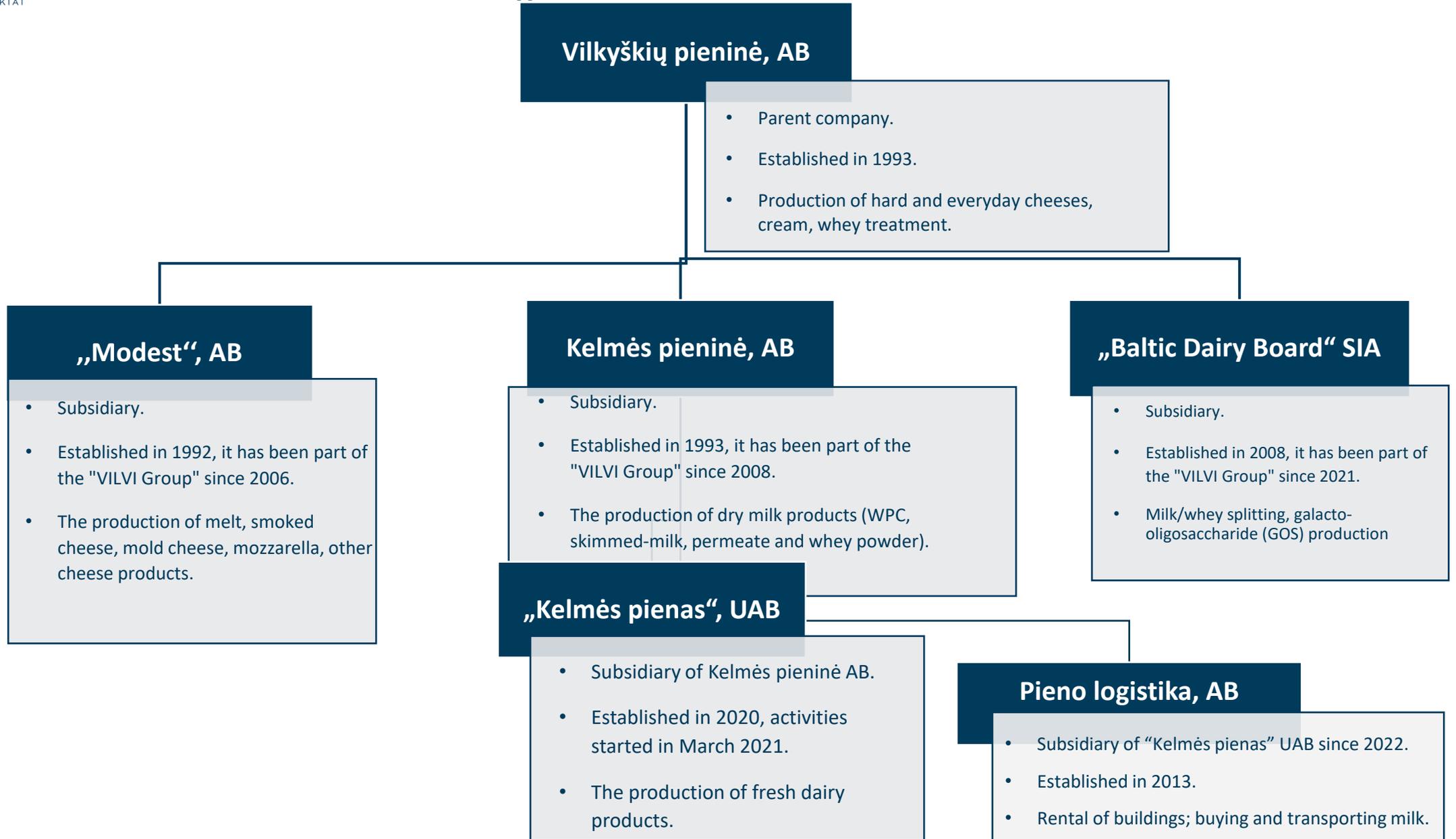
Thousand EUR	2023.01.01- 2023.06.30	2022.01.01- 2022.06.30
Profit (loss) for the period	4,909	8,320
Depreciation of property, plant and equipment	2,311	2,301
Amortization of intangible assets	4	7
Amortization and write-off of grants	-211	-167
Change in inventory write-down allowance	-2,010	-
Loss (gain) from disposal of property, plant and equipment	-100	-58
Income tax expenses	-19	936
Finance costs, net	680	171
	5,564	11,510
Change in inventories	13,327	608
Change in non-current amounts receivable	-210	4
Change in trade and other receivables and prepayments	1,939	-8,365
Change in trade and other payables	-4,488	908
	16,132	4,665
Interest paid	-242	-330
Income tax paid	-237	-
Net cash flows generated from operating activities	15,653	4,335
Payments for acquisition of property, plant and equipment	-1,969	-573
Payments for acquisition of intangible assets	1	-
Proceeds from sale of property, plant and equipment	300	65
Acquisition of shares of the subsidiary	-400	-
Loans granted	-170	-
Government grants received	1	8
Loans recovered	200	1,359
	-2,037	859
Proceeds from borrowings	377	6,100
Repayments of borrowings	-3,981	-8,128
Lease payments	-222	-172
Dividends paid out	-3,165	-2,389
Net cash flows generated from (used in) financing activities	-6,991	-4,589
Net increase (decrease) in cash and cash equivalents	6,625	605
Cash and cash equivalents at 1 January	621	799
Cash and cash equivalents at 30 June	7,246	1,404

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.
- ✓ On the 30th of June 2023 the Group had 902 employees.
- ✓ 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 Milaševičiūtė,
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

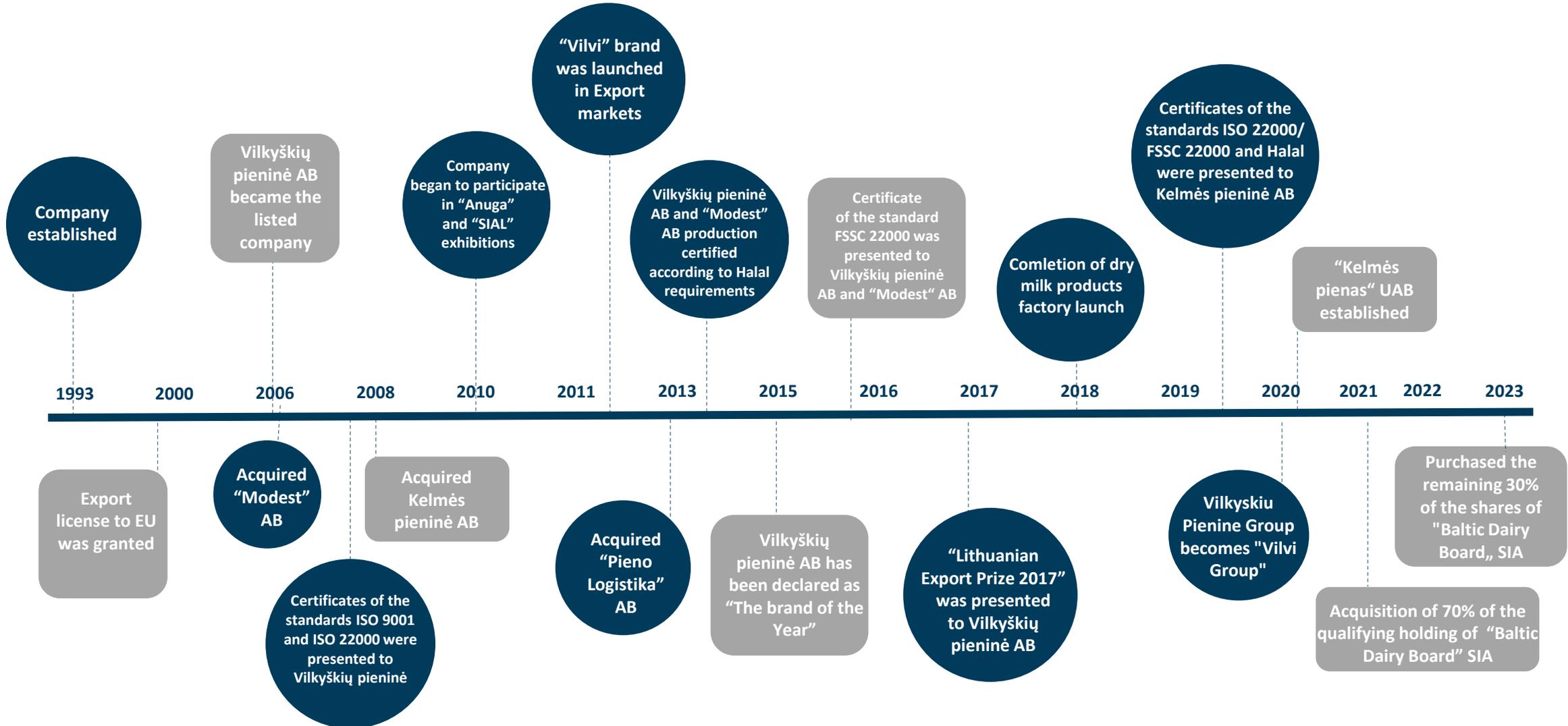
Sigitas Trijonis, Member
of the Board,
Director of
investment
projects at
Vilkyškių pieninė
AB

Linas Strėlis,
Independent
member of the
Board

Andrej Cyba,
Independent
member of the
Board

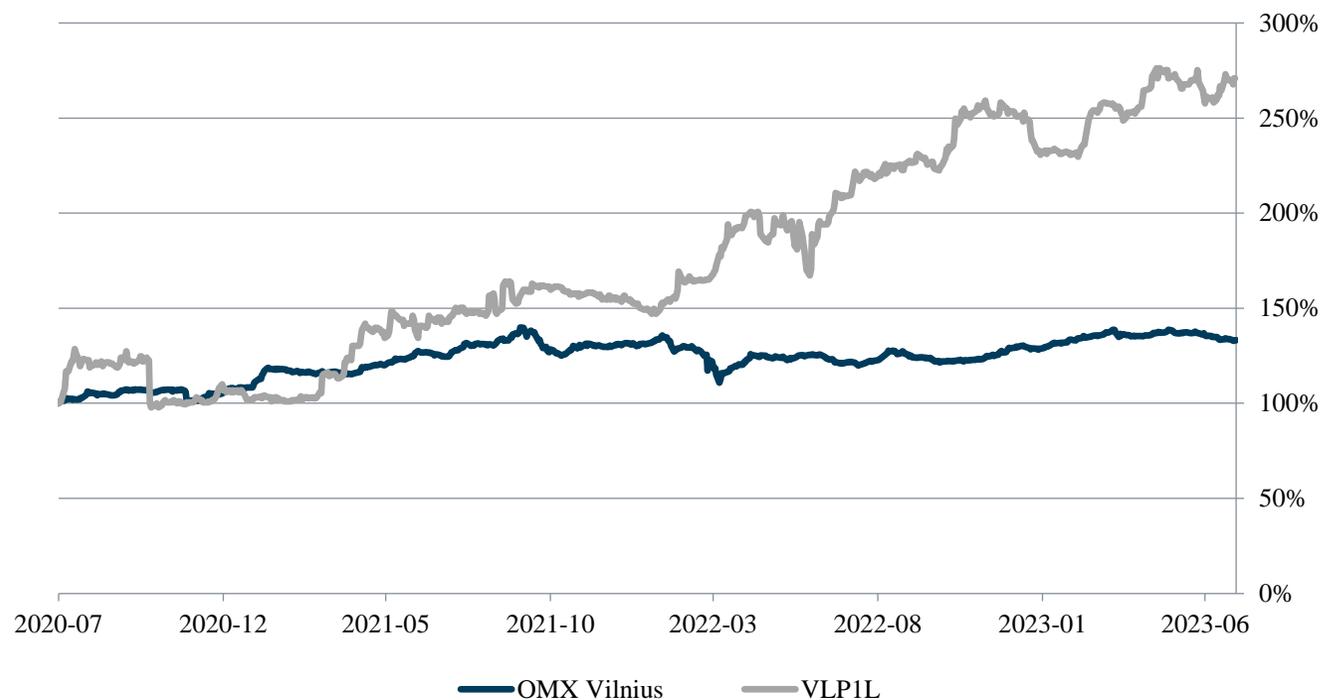
Board members re-elected for a four-year term on 29 April 2022.

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	7,213,680	60%*
Multi Asset Selection Fund	2,035,729	17%
Other shareholders	2,693,591	23%
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:

Gintaras Bertasius

CEO

Phone No: 8 441 55330

gintaras.bertasius@vilvi.eu

Vilija Milaševičiutė

Chief Economics and Financial Officer

Phone No: 8 441 55102

vilija.milaseviciute@vilvi.eu

Vilkyškiai, Pagėgių sav.

CRN: 277160980

Phone No: 8 441 55330

info@vilvi.eu

www.vilvigroup.eu

