

Vilnius, May 2024

AB „Pieno Žvaigždės“ confirmation of the Management

# Interim financial statements for the 3 months of 2024

We, Aleksandr Smagin, Chief Executive Officer and Laimonas Vaškevičius, Chief Financial Officer, hereby confirm that, to the best of our knowledge, Interim Financial Statements of the 3 months of 2024 prepared in accordance with IFRS, give true and fair view of the assets, liabilities, financial position, profit or loss and cash flows of AB “Pieno žvaigždės”.



Chief Executive Officer / Aleksandr Smagin



Chief Financial Officer / Laimonas Vaškevičius



# PIENO ŽVAIGŽDĖS

Interim financial  
statements

For the 3 months of 2024



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# 1. Statement of financial position (Thousand EUR)

Prepared according to IFRS, not audited

	2024 03 31	2023 12 31
<b>Assets</b>		
Property, plants and equipment	44 228	44 263
Intangible assets	48	54
Investments available for sale	22	22
Long-term receivables	56	5
Deferred tax	367	367
<b>Total non-current assets</b>	<b>44 721</b>	<b>44 710</b>
Inventories	19 604	15 939
Receivables	9 267	9 261
Cash and cash equivalents	370	1 584
<b>Total current assets</b>	<b>29 241</b>	<b>26 783</b>
<b>Total assets</b>	<b>73 962</b>	<b>71 493</b>
<b>Equity</b>		
Share capital	13 089	13 089
Share premium	7 891	7 891
Own shares	-	-
Reserves	1 570	1 570
Retained earnings	15 977	13 729
<b>Total equity</b>	<b>38 527</b>	<b>36 279</b>
<b>Liabilities</b>		
Government grants	1 654	1 700
Interest-bearing loans and borrowings	3 848	3 760
Deferred tax	1 619	1 619
<b>Total non-current liabilities</b>	<b>7 121</b>	<b>7 080</b>
Provisions		
Interest-bearing loans and borrowings	8 117	8 562
Income tax payable	-	-
Trade and other amounts payable	20 195	19 572
<b>Total current liabilities</b>	<b>28 313</b>	<b>28 134</b>
<b>Total liabilities</b>	<b>35 434</b>	<b>35 214</b>
<b>Total equity and liabilities</b>	<b>73 962</b>	<b>71 493</b>



## 2. Statement of comprehensive income (Thousand EUR)

Prepared according to IFRS, not audited

	2024 01 01 - 2024 03 31	2023 01 01 - 2023 03 31
Revenue	45 583	45 674
Cost of sales	(34 136)	(35 153)
<b>Gross profit</b>	<b>11 448</b>	<b>10 520</b>
Other operating income, net	27	38
Sales and administrative expenses	(8 901)	(7 331)
<b>Operating profit before finance costs</b>	<b>2 547</b>	<b>3 190</b>
Finance income	9	7
Finance expenses	(335)	(458)
<b>Finance income/expenses, net</b>	<b>(326)</b>	<b>(451)</b>
<b>Profit before tax</b>	<b>2 248</b>	<b>2 777</b>
Corporate income tax	-	-
<b>Net profit</b>	<b>2 248</b>	<b>2 777</b>
Earnings per share (EUR)	0,05	0,06



### 3. Statement of cash flows (Thousand EUR)

Prepared according to IFRS, not audited

	2024 03 31	2023 03 31
<b>Cash flows from operating activities</b>		
Net profit	2 248	2 777
Adjustments:		
Depreciation and amortisation	1 419	1 428
Amortisation of government grants	(46)	(42)
Result of disposal of property, plant and equipment	(8)	3
Change in financial instruments	-	-
Change in vacation reserve	-	-
Change in impairment loss of inventories	-	(400)
Interest income/expenses, net	275	412
Income tax	-	-
<b>Cash flows from ordinary activities before changes in the working capital</b>	<b>3 889</b>	<b>4 178</b>
Change in inventories	(3 665)	1 241
Change in receivables	(843)	(238)
Change in trade and other payable amounts	1 409	(574)
<b>Cash flows from operating activities</b>	<b>790</b>	<b>4 607</b>
Interest paid	(285)	(419)
Income tax paid	-	-
<b>Net cash flow from operating activities</b>	<b>505</b>	<b>4 188</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(1 224)	(510)
Acquisition of intangible assets	(3)	(14)
Proceeds on sale of property, plant and equipment	4	10
Acquisition of rental rights	-	(2)
Granted / recovered loans	0	2
Interest received	10	7
<b>Net cash flow used in investing activities</b>	<b>(1 213)</b>	<b>(507)</b>
<b>Cash flows from financing activities</b>		
Loans received	1 010	-
Repayment of borrowings	(1 230)	(3 407)
Dividends paid	-	-
Payment of finance lease liabilities	(286)	(304)
Government grants received	-	-
<b>Net cash from/(used in) financing activities</b>	<b>(506)</b>	<b>(3 711)</b>
Change in cash and cash equivalents	(1 214)	(30)
Beginning cash	1 584	272
<b>Ending cash</b>	<b>370</b>	<b>242</b>



## 4. Statement on change in equity

Prepared according to IFRS, not audited

(Thousand EUR)	Share capital	Share premium	Own shares	Compulsory reserve	Revaluation reserve	Other reserves	Retained earnings	Total equity
<b>As at 1 January 2023</b>	<b>13 089</b>	<b>7 891</b>	<b>0</b>	<b>1 570</b>	<b>0</b>	<b>0</b>	<b>474</b>	<b>23 024</b>
Profit allocation								0
Dividends								0
Change of share capital								0
Own shares buyback								0
Depreciation of revaluated part								0
Other income								0
Net profit for 2023 1Q							2 777	2 777
<b>As at 31 March 2023</b>	<b>13 089</b>	<b>7 891</b>	<b>0</b>	<b>1 570</b>	<b>0</b>	<b>0</b>	<b>3 251</b>	<b>25 801</b>
<b>As at 1 April 2023</b>	<b>13 089</b>	<b>7 891</b>	<b>0</b>	<b>1 570</b>	<b>0</b>	<b>0</b>	<b>3 251</b>	<b>25 801</b>
Profit allocation								
Dividends								
Change of share capital								
Own shares buyback								
Depreciation of revaluated part								
Other income								
Net profit for 2023 2Q-4Q							10 478	10 478
<b>As at 31 December 2023</b>	<b>13 089</b>	<b>7 891</b>	<b>0</b>	<b>1 570</b>	<b>0</b>	<b>0</b>	<b>13 729</b>	<b>36 279</b>
<b>As at 1 January 2024</b>	<b>13 089</b>	<b>7 891</b>	<b>0</b>	<b>1 570</b>	<b>0</b>	<b>0</b>	<b>13 729</b>	<b>36 279</b>
Profit allocation								0
Dividends								0
Change of share capital								0
Own shares buyback								0
Depreciation of revaluated part								
Other income								
Net profit for 2024 1Q							2 248	2 248
<b>As at 31 March 2024</b>	<b>13 089</b>	<b>7 891</b>	<b>0</b>	<b>1 570</b>	<b>0</b>	<b>0</b>	<b>15 977</b>	<b>38 527</b>



## 5. Notes to the financial statements

AB Pieno Žvaigždės was established by way of merger of stock companies Mažeikių Pieninė, Pasvalio Sūrinė, Kauno Pienas and Panevėžio pienas. The main office of the Company is located in Vilnius and the branches – in Mažeikiai, Pasvalys, Kaunas and Panevėžys.

Ordinary shares of the Company are quoted in the NASDAQ Vilnius Stock Exchange.

The Company is engaged in production and sales of milk products to retail stores directly and through distributors.

### Statement of compliance

These are the financial statements of a separate company AB Pieno Žvaigždės, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

### Main indicators of the Company's' performance

	<b>2024 01 01 – 2024 03 31</b>	<b>2023 01 01 – 2023 03 31</b>
Sales, Thousand EUR	45 583	45 674
Gross profit, Thousand EUR	11 448	10 520
EBITDA, Thousand EUR	3 946	4 615
Current ratio (at the end of period)	1,03	0,80
Book value per share (at the end of period), EUR	0,85	0,57
Net profit per share	0,05	0,06

### Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress,





cost includes an appropriate share of overheads based on normal operating capacity.

Inventories, Thousand EUR	2024 03 31	2023 12 31
Raw materials	7 530	6 934
Stored production	11 962	8 929
Goods for resale	112	76
<b>Total:</b>	<b>19 604</b>	<b>15 939</b>

## Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment, which is subject to risks and rewards that are different from those of other segments. Company sales production mainly in domestic market, and EU.

Sales by geographical markets, Thousand EUR	2024 01 01 – 2024 03 31	2023 01 01 – 2023 03 31
Lithuania	27 383	28 407
Other EU countries	8 889	8 403
Other non EU countries	9 312	8 864
<b>Total:</b>	<b>45 583</b>	<b>45 674</b>

Sales by products groups, Thousand EUR	2024 01 01 – 2024 03 31	2023 01 01 – 2023 03 31
Fresh milk products	36 847	36 404
Dry milk products	1 161	1 862
Cheese	4 942	5 076
Other products	2 633	2 332
<b>Total:</b>	<b>45 583</b>	<b>45 674</b>

## Post balance sheet events

There are no material post-statement events.

