



VILVI GROUP

THE RESULTS OF 9 MONTHS OF 2023



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1. MAIN EVENTS DURING 9 MONTHS OF 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.





“Vilvi Group” has extended its long-standing cooperation with the basketball club “Žalgiris”

A long-standing partnership has become an integral part of both brands. For a number of years, “Vilkyškiai” products with a black cat have also been marked with the “Žalgiris” logo.

By purchasing “Vilkyškiai” black cat products, the team's fans directly contribute to the Lithuanian Champions club.

„Vilvi Group“ – the main partner of “Tauragė – Lithuanian Capital of Culture 2023”.

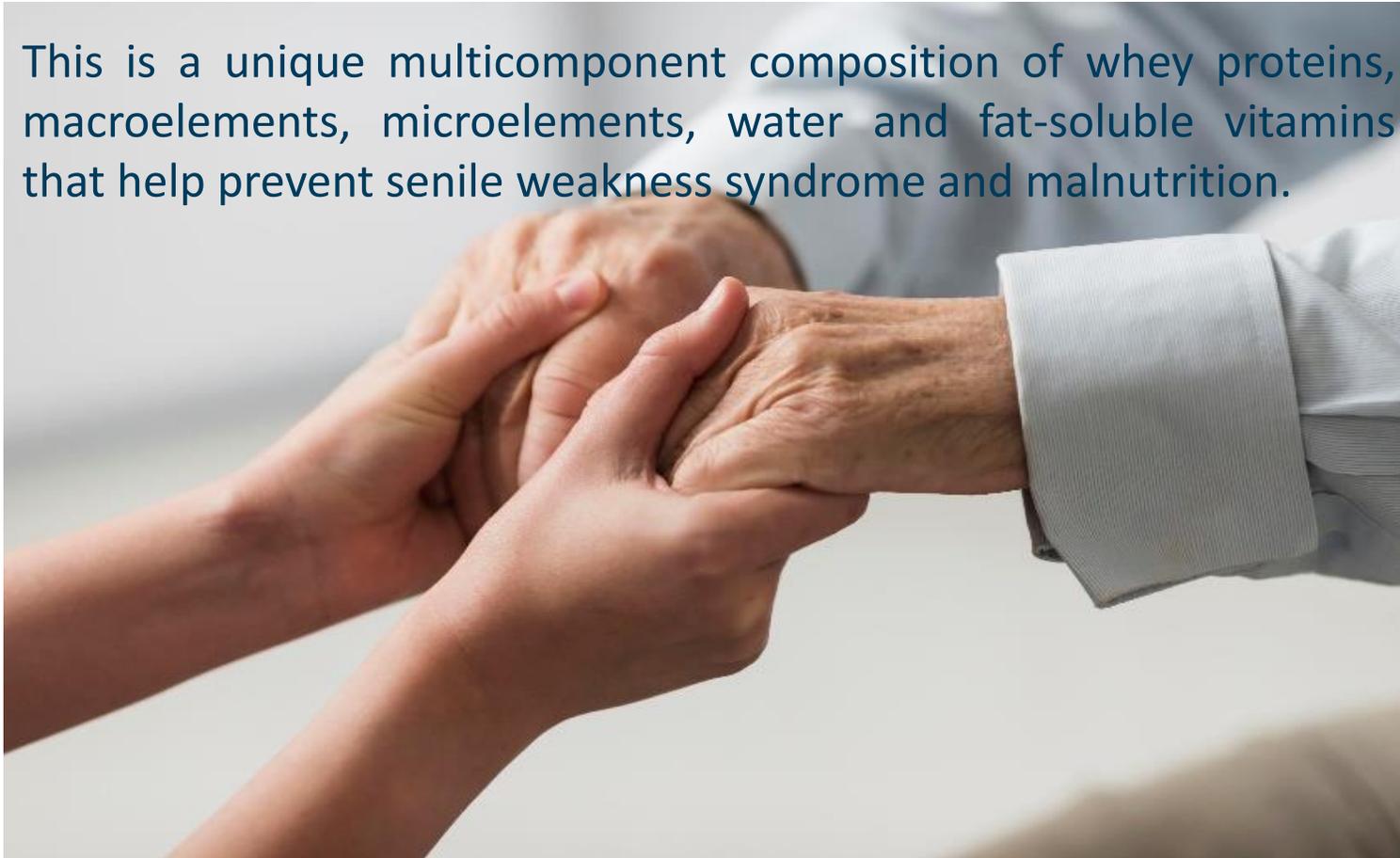
We are constantly striving to contribute to the promotion of culture in the region, and this cooperation provides even more opportunities to organize the highest level of events and ensure that Tauragė will be famous as a modern city that values its history, open to guests from all over the world. We are one of the largest companies in the region, so we understand our responsibility to contribute to the cultural growth and development of the community.



PRODUCT NEWS

„Vilvi Group“ together with Lithuanian University of Health Sciences scientists have developed an innovative product for older people – „Senescentis“ dietary supplement made from WPC powder.

This is a unique multicomponent composition of whey proteins, macroelements, microelements, water and fat-soluble vitamins that help prevent senile weakness syndrome and malnutrition.



The line of *Less sugar* was supplemented with 2 news: yogurt with mango, passion fruit and Spanish sage Chia seeds and caramelized banana-flavored curd cheese



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

	9 months of 2019	9 months of 2020	9 months of 2021	9 months of 2022	9 months of 2023
Revenue (Thousands EUR)	82,262	88,476	106,831	175,665	153,866
EBITDA (Thousands EUR)	2,586	6,348	7,724	17,419	14,786
EBITDA margin (%)	3.1%	7.2%	7.2%	9.9%	9.6%
Net profit (loss) (Thousands EUR)	-421	3,107	3,968	12,329	10,555
Profit (loss) margin (%)	-0.5%	3.5%	3.7%	7.0%	6.9%
Quantity of purchased milk, t	195,798	206,432	226,070	241,288	245,485
Profit (loss) per share (EUR)	-0.04	0.26	0.33	1.03	0.88
Net financial debt (Thousands EUR)	29,283	21,848	24,924	20,546	11,993

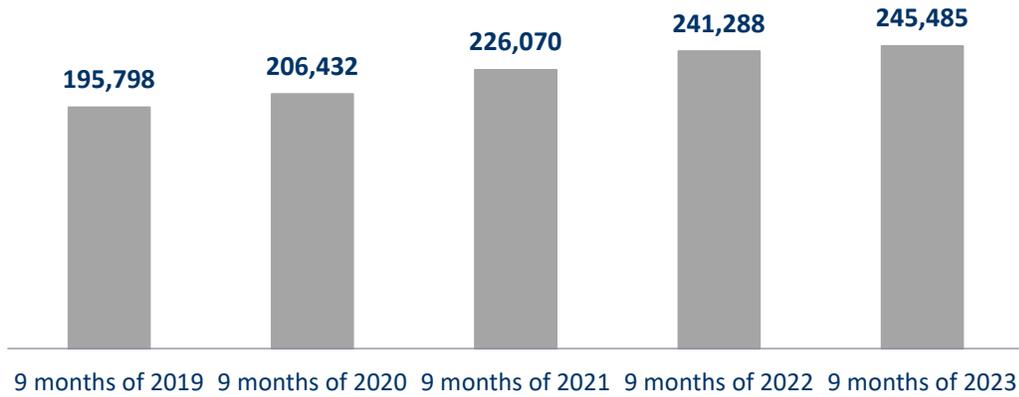
During 9 months of 2023 **sales revenue** decreased by 12.4 percent, comparing with the same period last year and amounted to 153.9 MEUR.

During 9 months of 2023 **EBITDA** reached 14.8 MEUR (decreased by 15.1 percent comparing with with 9 months of 2022).

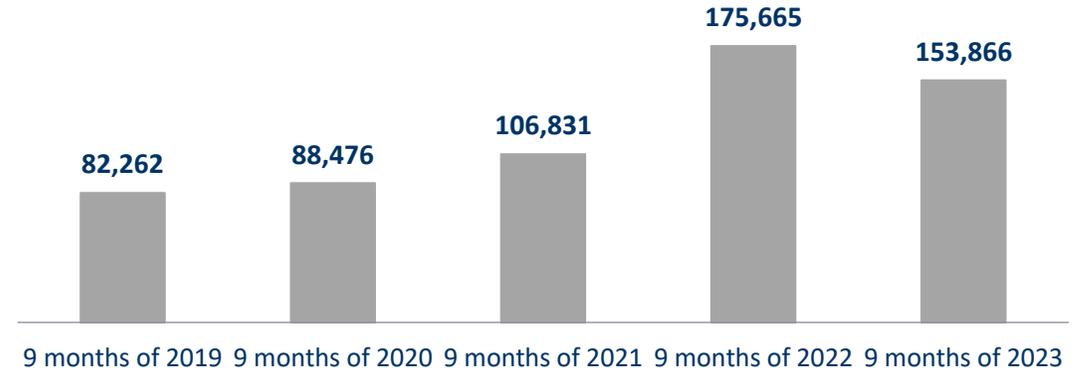
During 9 months of 2023 **net profit** of the group came to 10.6 MEur and was 14.4 percent lower, comparing with the same period last year.

During 9 months of 2023 a total of 245.5 tho tones of basic indicators milk was purchased (increased by 1.7 % comparing with 9 months of 2022).

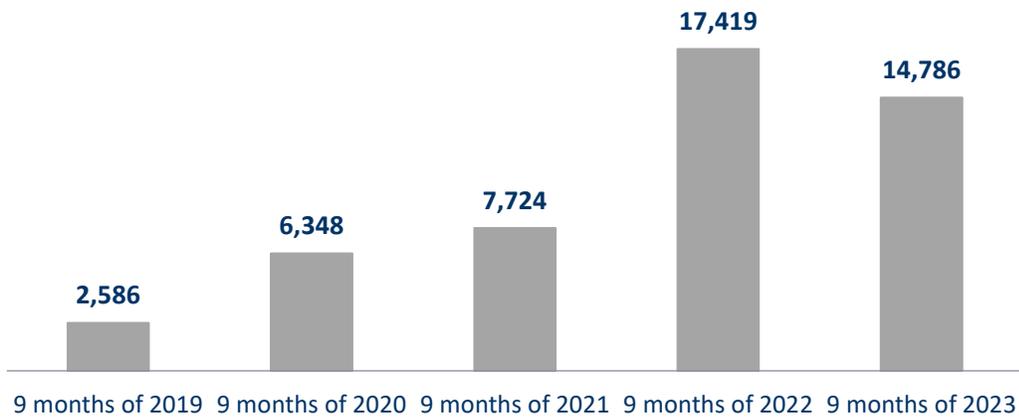
QUANTITY OF PURCHASED MILK, T



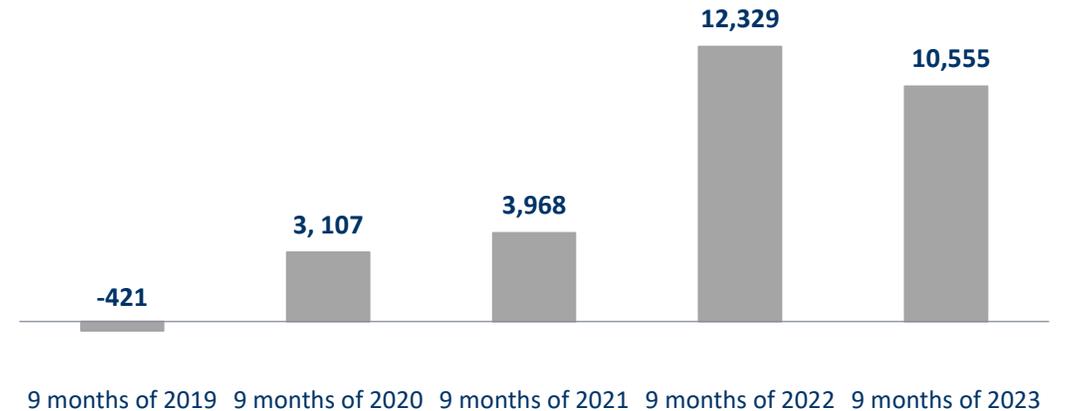
REVENUE, THOUSANDS EUR



EBITDA, THOUSANDS EUR



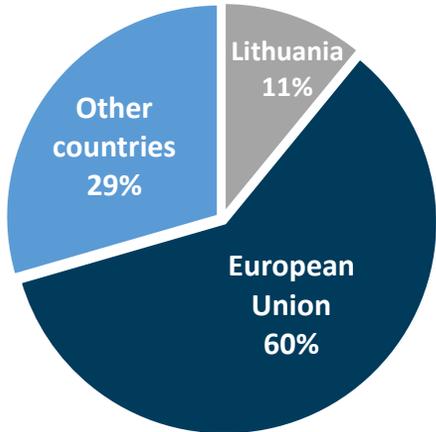
NET PROFIT (LOSS), THOUSANDS EUR



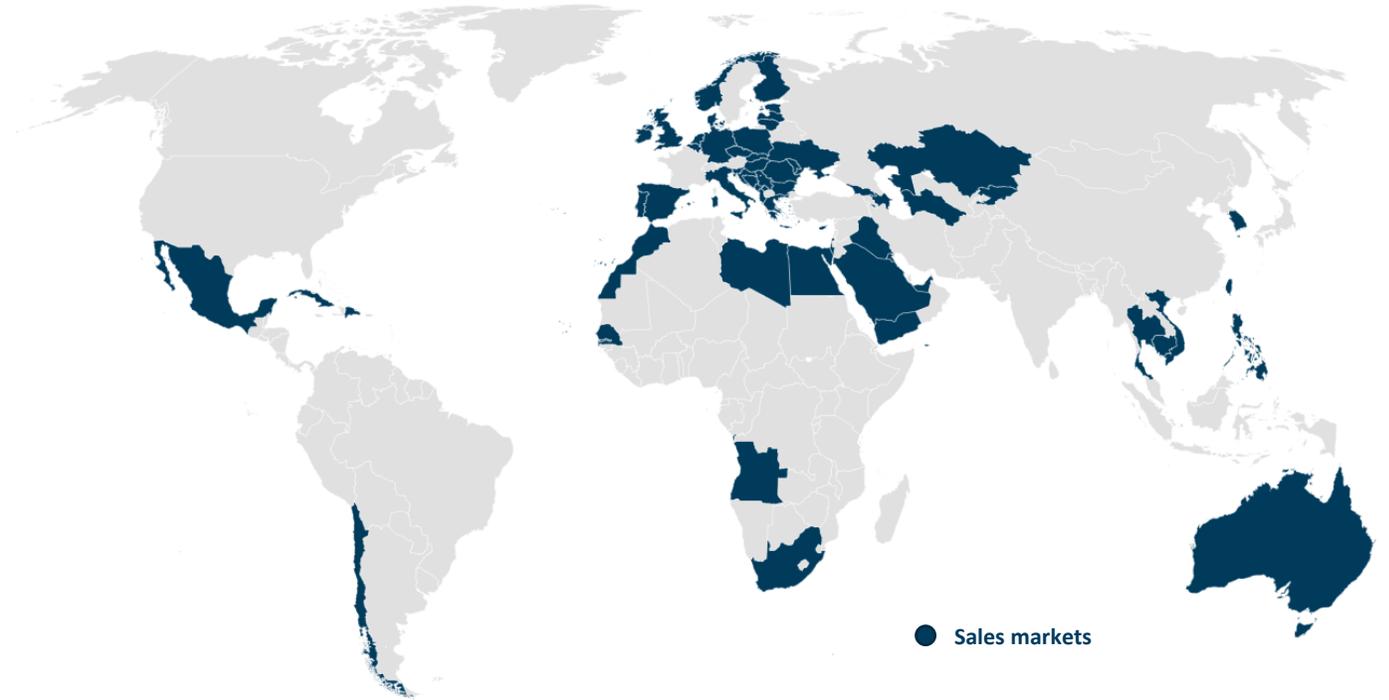
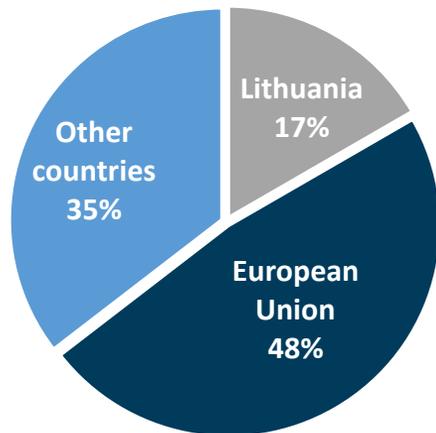
3. SALES REVENUE BY MARKETS

(Thousand EUR)	9 months of 2022		9 months of 2023	
Lithuania	19,141	11%	25,608	17%
European Union	104,709	60%	73,688	48%
Other countries	51,815	29%	54,570	35%
Total revenue:	175,665		153,866	

9 months of 2022

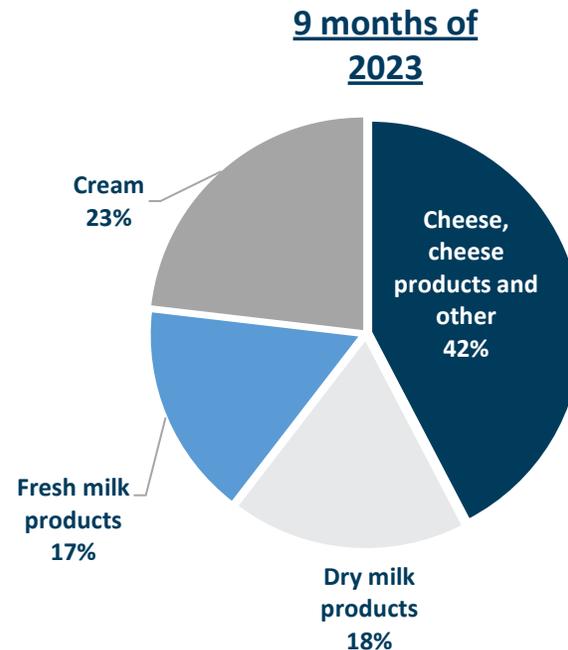
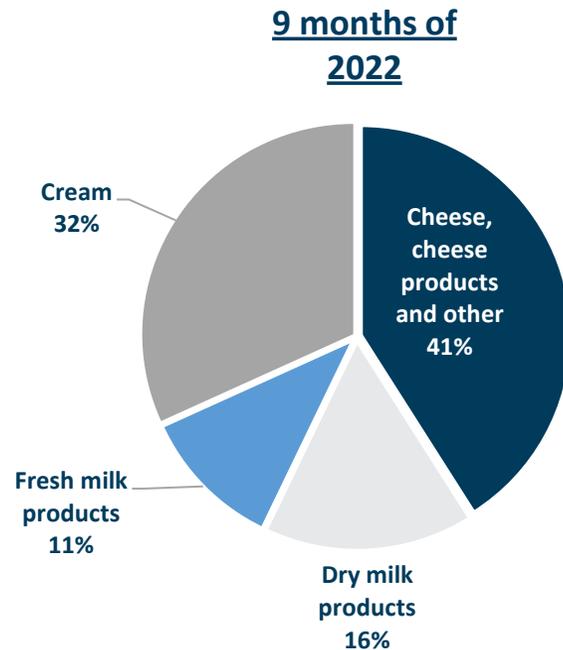


9 months of 2023



4. SALES REVENUE BY OPERATING SEGMENTS

(Thousand EUR)	9 months of 2022		9 months of 2023	
Cheese, cheese products and other	72,031	41%	65,192	42%
Dry milk products	28,332	16%	27,768	18%
Fresh milk products	19,472	11%	25,298	17%
Cream	55,830	32%	35,608	23%
Total:	175,665		153,866	



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	2023.09.30	2022.12.31
ASSETS		
Property, plant and equipment	47,009	48,365
Right-of-use assets	959	1,082
Intangible assets	4,169	4,175
Non-current amounts receivable	348	111
Non-current assets	52,485	53,733
Inventories	16,042	25,493
Trade and other receivables	16,870	17,875
Prepayments	5,696	741
Cash and cash equivalents	6,196	621
Current assets	44,804	44,730
Total assets	97,289	98,463
Share capital	3,463	3,463
Share premium	3,301	3,301
Reserves	1,902	2,068
Retained earnings	48,212	40,749
Total equity attributable to owners of the Company	56,878	49,581
Non-controlling interest	15	321
Total equity	56,893	49,902
Borrowings	11,301	12,978
Lease liabilities	444	399
Government grants	3,429	3,743
Trade and other payables	42	42
Deferred income tax liability	878	790
Non-current liabilities	16,094	17,952
Borrowings	6,122	9,238
Lease liabilities	322	314
Income tax payable	-36	344
Trade and other payables	17,894	20,713
Current liabilities	24,302	30,609
Total liabilities	40,396	48,561
Total equity and liabilities	97,289	98,463

6. CONSOLIDATED INCOME STATEMENT

Thousand EUR	2023.01.01- 2023.09.30	2022.01.01- 2022.09.30
Revenue	153,866	175,665
Cost of sales	-135,614	-155,045
Gross profit (loss)	18,252	20,620
Other operating income	166	228
Distribution expenses	-3,281	-3,437
Administrative expenses	-3,507	-3,189
Other operating expenses	-171	-128
Other gain (loss) - net	155	88
Results of operating activities	11,614	14,182
Finance income	62	443
Finance costs	-1,037	-580
Finance costs, net	-975	-137
Profit (loss) before income tax	10,639	14,045
Income tax expenses	-84	-1,716
Profit (loss) for the period	10,555	12,329
Attributable to:		
Shareholders of the Company	10,559	12,184
Non-controlling interest	-4	145
Profit (loss) for the period	10,555	12,329
Basic and diluted earnings per share (in EUR)	0.88	1.03

7. CONSOLIDATED STATEMENT OF CASH FLOWS

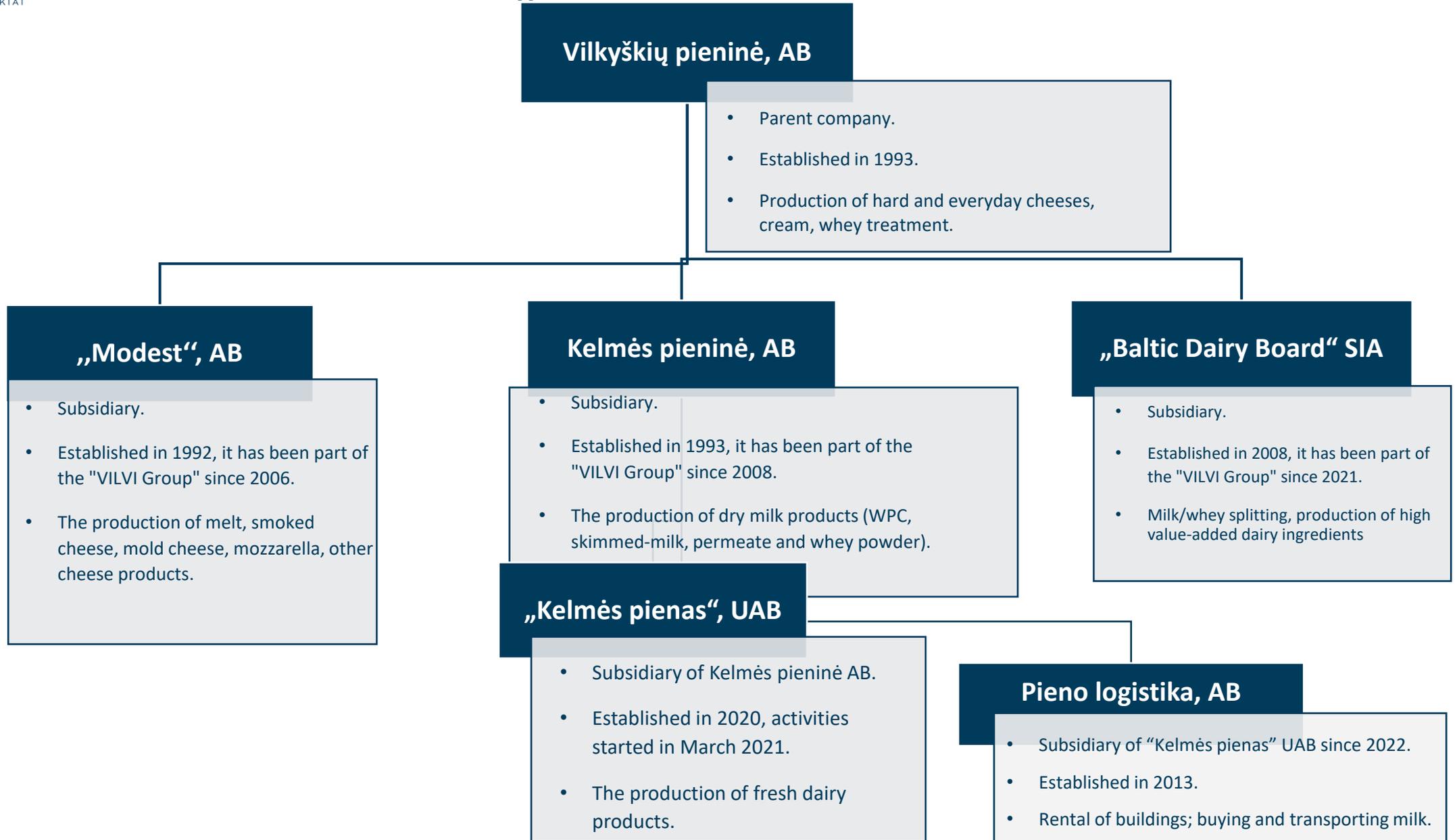
Thousand EUR	2023.01.01- 2023.09.30	2022.01.01- 2022.09.30
Profit (loss) for the period	10,555	12,330
Depreciation of property, plant and equipment	3,481	3,141
Amortization of intangible assets	5	10
Amortization and write-off of grants	-314	-286
Change in inventory write-down allowance	-2,605	-
Loss (gain) from disposal of property, plant and equipment	-110	-26
Income tax expenses	84	1,716
Finance costs, net	974	137
	12,070	17,022
Change in inventories	12,055	-4,388
Change in non-current amounts receivable	-237	78
Change in trade and other receivables and prepayments	-4,028	-7,170
Change in trade and other payables	-3,481	1,282
	16,379	6,824
Interest paid	-915	-486
Income tax paid	-115	-179
Net cash flows generated from operating activities	15,349	6,159
Payments for acquisition of property, plant and equipment	-1,607	-1,718
Payments for acquisition of intangible assets	1	-
Proceeds from sale of property, plant and equipment	359	78
Acquisition of shares of the subsidiary	-400	-
Loans granted	-170	-300
Government grants received	-	13
Loans recovered	311	1,361
	-1,506	-566
Proceeds from borrowings	-	6,460
Repayments of borrowings	-4,793	-7,911
Lease payments	-311	-271
Dividends paid out	-3,164	-2,389
Net cash flows generated from (used in) financing activities	-8,268	-4,111
Net increase (decrease) in cash and cash equivalents	5,575	1,482
Cash and cash equivalents at 1 January	621	799
Cash and cash equivalents at 30 September	6,196	2,281

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 September 2023 the Group had 907 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 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

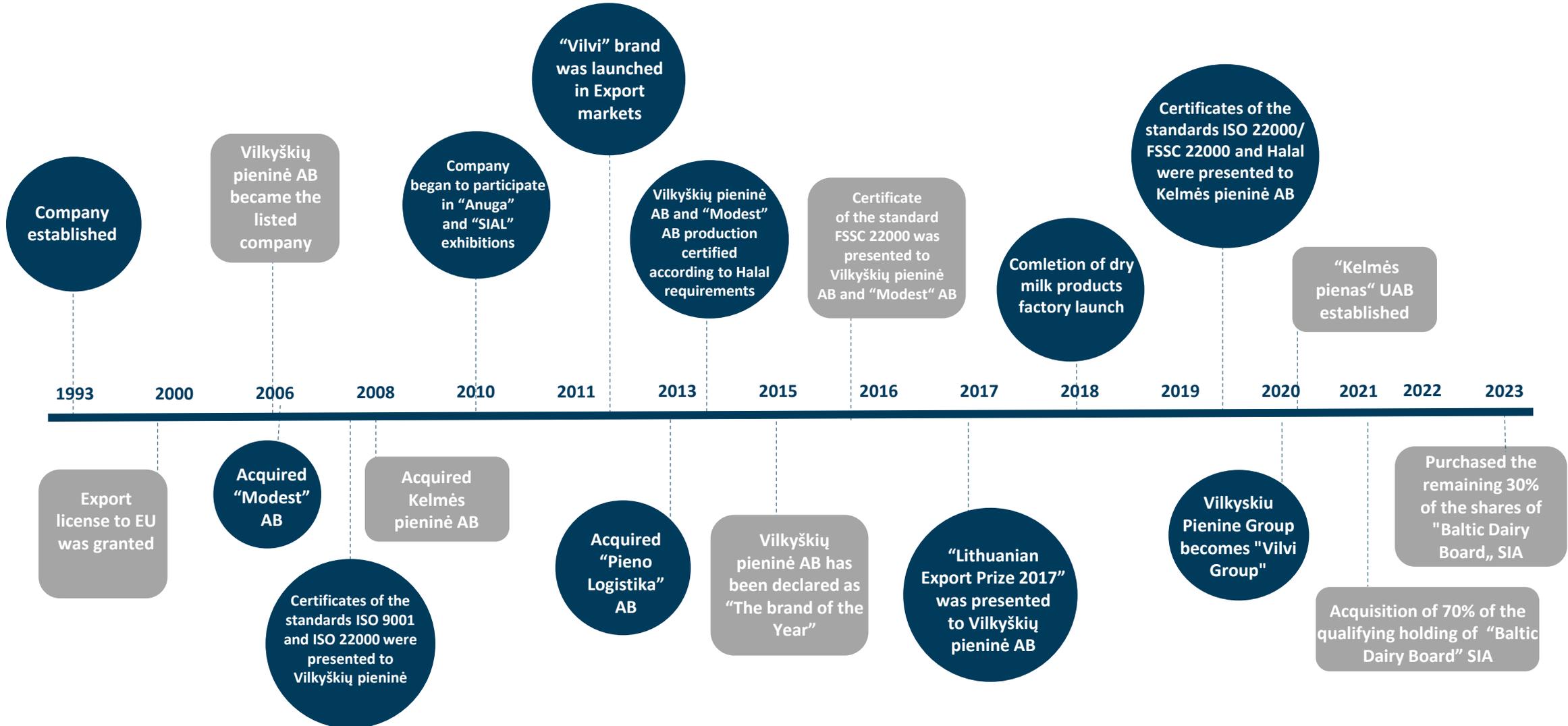
Sigitas Trijonis, Member
of the Board,
Director of
investment
projects at
Vilkyškių pieninė
AB

Linas Strėlis,
Independent
member of the
Board

Andrej Cyba,
Independent
member of the
Board

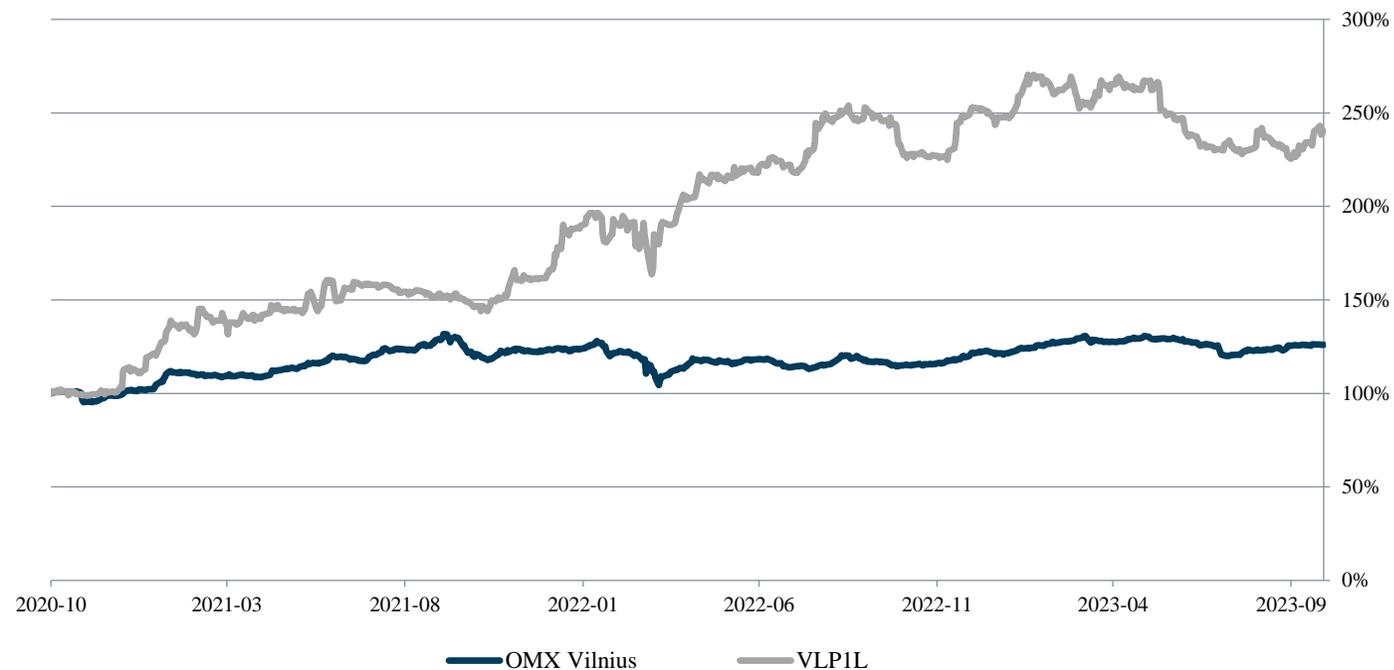
Board members re-elected for a four-year term on 29 April 2022.

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	60.4%*
Multi Asset Selection Fund	2,035,729	17.0%
Other shareholders	2,693,591	22.6%
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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CEO

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Vilija Milaševičiutė

Chief Economics and Financial Officer

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