

No.	Agenda item	Draft decision
1.	Meeting organization matters	Decision on the process and conditions of the general meeting of shareholders.
2.	Auditor conclusions and presentation of the 2017 annual consolidated statement.	Presentation and consideration of the auditor conclusions and annual consolidated statement. No decision is made on this matter. Company's shareholders are suggested to get acquainted with auditor conclusions and annual consolidated statement and annexes to the annual statement.*
3.	Approval of the 2017 annual consolidated reports of the Company.	Presentation and approval of the annual consolidated reports of the Company. Draft decision: to approve SC „Žemaitijos pienas“ and it's group's a set of financial statements for 2017 year.*
4.	Approval of 2017 Company profit (loss) distribution.	Approve draft decision for the 2017 Company profit (loss) distribution submitted by Company management.*
5.	Establishment of the budget for members of collegial bodies of the Company for activities within the Company.	Approve 120 000 (one hundred twenty thousand) EUR budget for members of the Company's collegial bodies for activities in the period between the decision of the 2018 scheduled general meeting of shareholders until the decision of the 2019 scheduled general meeting of shareholders.
6.	On working with commercial banks towards obtainment of a 10 million EUR loan.	In 2016 AB "Žemaitijos pienas" signed an agreement with the National Paying Agency regarding assignment of support within the scope of the "Investments in processing of agricultural products, in marketing and (or) development" field of activities under Lithuania's 2014-2020 Rural Development Program measure "Investment in tangible assets". The main areas of company investments are the cheese and butter production division, raw material and product logistics, and augmentation of storage areas. The intended investments will also be used to improve product quality and environmental friendliness of packaging, to reduce pollution released into waste water, and to improve energy efficiency. A further priority is to ensure compliance of equipment and production processes with clients' expectations and to produce safe high-quality products for the buyer. This project is worth ~ 18 million EUR and the amount of support totals ~ 3 million EUR. The Company has already received about 200 thousand EUR and these funds are already being applied towards development of Company projects. Seeking to settle with raw milk suppliers without breaching settlement terms and to implement all intended investment, the Company will turn to banks regarding provision of a 10 million EUR loan (5 mil. EUR for current assets, 5 mil. EUR as a long-term/investment loan). Considering the above: 5.1. Instruct the management to turn to banks regarding obtainment of the 10 mil. EUR (5 mil. EUR for current assets, 5 mil. EUR as a long-term/investment loan) loan; 5.2. Sign a loan agreement based on the management's decision with the bank (-s) which will provide the best financing conditions; 5.3. Authorize the general director to sign the loan agreement by granting him the power of attorney with the purpose of signing the loan agreement (-s).
7.	Regarding establishment of a reserve for purchasing of own shares and establishment of the procedure for purchasing of own	1. Determine (establish) a reserve for procurement of own shares (15 mln. Eur) and obtain up to 10% of the Company's own shares; 2. Establish conditions for purchasing of own shares: 2.1. to pay for the obtained shares use the funds from the reserve formed to obtain own shares; 2.2. maximum amount of the Company's own shares to be purchased -

	shares.	<p>up to 10% of all Company shares;</p> <p>2.3. the term over which the Company can purchase its own shares - 18 months from adoption of the decision;</p> <p>2.4. minimum purchase price of one share - 1.75 EUR, maximum purchase price of one share 2.35 EUR;</p> <p>2.5. purpose of purchasing of shares:</p> <p>2.5.1. allow shareholders the possibility to sell shares in order to increase, maintain and/or stabilize liquidity of the Company's shares;</p> <p>2.5.2. increase, maintain, and/or stabilize the market price of the Company's shares;</p> <p>2.5.3. obtain the possibility of use own shares to encourage Company employees to stimulate them to contribute to improvement of Company results as well as to sell them to Company employees, except for employees who are on the Company's supervisory board, members of its management, or Company CEO as well as employees who are Company shareholders;</p> <p>2.5.4. have the opportunity to use own shares in possible exchanges should the Company seek to obtain shares in other companies or to sell them;</p> <p>2.5.5. in order to have a reserve of own shares which, if necessary, could be used for the purposes specified in clauses 2.5.1-2.5.4 (on or more thereof) upon decision of the Company's management.</p> <p>2.6. determine the nominal sale price of own shares - no lower than the average price of own share purchase price;</p> <p>2.7. determine that, in the future, the Company's shares can be sold to the Company's shareholders or the Company's employees, except for employees who are on the Company's supervisory board, members of its management, or Company CEO as well as employees who are Company shareholders, or ceded by exchanging them to obtain shares in other companies for the Company. When ceding the Company's shares it is necessary to ensure equal possibility for all shareholders to obtain the Company's shares;</p> <p>2.8. In compliance with provisions of this decision and of the Republic of Lithuania Law on Companies instruct the Company's management to organize procurement of own shares for the purposes (one or more thereof) outlined in this decision, determine detailed procedure for procurement of own shares, terms of such procurement, number of shares to be purchased, their price as well as determine a detailed procedure for sale (ceding) of own shares, terms of such sale (ceding), number of shares that can be ceded for the purposes (one or more thereof) outlined in this decision, and final sale (ceding) price, and carry out any and all actions associated with obtainment and sale of own shares.</p>
8.	On the part of the 16 September 2016 decision regarding assignment of bonuses	To clarify and recommend for approval that the part of the decision „On the appointment of bonuses to the members of the Management Board and the Supervisory Board“, which was adopted in 16th of September, 2016, of the extraordinary general meeting of shareholders taking into account the Company's past financial periods, i.e. net profit (accumulated) earned in 2013 – 2015 period and this part of the decision may be canceled if the final decision of the Supreme Court of Lithuania determines that the extraordinary general meeting of shareholders has unjustifiably appointed bonuses of the accumulated annual net profit of the previous period.

*\*.- The audited financial statements, the audit conclusions, the consolidated annual statement and the project of profit/ loss distribution will be submitted as soon as possible after the approval.*