



VILVI GROUP

THE RESULTS OF Q3 2024



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1. MAIN EVENTS DURING Q3 2024

INVESTMENT PROJECT, WITH A VALUE OF EUR 50 MILLION STARTED IN LATVIA



VILVI GROUP launches the largest investment project in its 31-year history. The preliminary plan is to invest over EUR 50 million in new cheese production capacity in Bauska, Latvia, on the territory of the Group's company "Baltic Dairy Board", SIA. The project is planned to be completed by 2025.

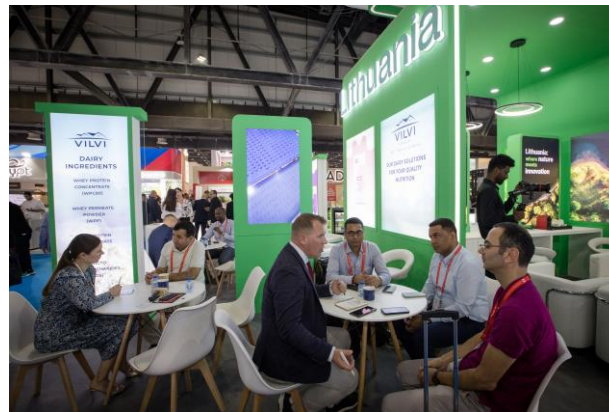
The project is financed with own funds and Citadele Bank loans. The Latvian Government, through the Latvian State Development Finance Institution, will contribute more than EUR 10 million to the project.

For this purpose, "Vilkyškių pieninė", AB the sole shareholder of "Baltic Dairy Board", SIA, increased the authorized capital of "Baltic Dairy Board", SIA. The amount of the increased authorized capital is EUR 10,847,778.

EXTENDED/ISSUED CERTIFICATES DURING Q3 2024

- ✓ Certificate of ecological production has been extended for "Kelmės pienas", UAB;
- ✓ Halal certificates have been extended for "Vilkyškių pieninė", AB, "Modest", AB and „Kelmės pieninė”, AB;
- ✓ FSSC 22000 certificates have been extended for "Modest", AB and "Kelmės pieninė", AB;
- ✓ ISO 22000:2018 certificate has been extended for "Kelmės pieninė", AB;
- ✓ Food Version 8 certificate has been issued for "Kelmės pienas", UAB.

On February 19-23, VILVI GROUP traditionally participated in one of the largest food and drink exhibitions **"Gulfood 2024"** in Dubai, UAE. Cheese products and whey powder were presented at the exhibition.



CHANGES IN FRESH MILK PRODUCTS WITH A BLACK CAT

We aim to form and grow one brand, therefore the "Vilkyškių pieninė" brand becomes the international VILVI, while "Vilkyškių" remains in the name of the black cat product line.

Along with changes in the brand, packaging design has also changed. They have become brighter, but they are well-known.



ACHIEVEMENTS



At Sustainable Brand Index 2024 by "SB Insight", "Vilkyškių pieninė", AB ranked 3rd 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 rated brands "Vilkyškių pieninė", AB took 16th place

2. MAIN FINANCIAL INDICATORS



	Q3 2022	Q3 2023	Q3 2024	Change in 2024/2023	Change in 2023/2022
Revenue , thousands EUR	175,665	153,866	181,486	18.0%	-12.4%
EBITDA , thousands EUR	17,419	14,786	24,785	67.6%	-15.1%
EBITDA margin , %	9.9%	9.6%	13.7%	4.1 p.p.	-0.3 p.p.
Net profit (loss) , thousands EUR	12,329	10,555	19,928	88.8%	-14.4%
Profit (loss) margin , %	7.0%	6.9%	11.0%	4.1 p.p.	-0.1 p.p.
Profit (loss) per share , EUR	1.03	0.88	1.67	88.8%	-14.4%
Net financial debt , thousands EUR	20,546	11,993	17,478	45.7%	-41.6%
Purchased basic indicators milk , in tons	241,288	245,485	264,034	7.6%	1.7%

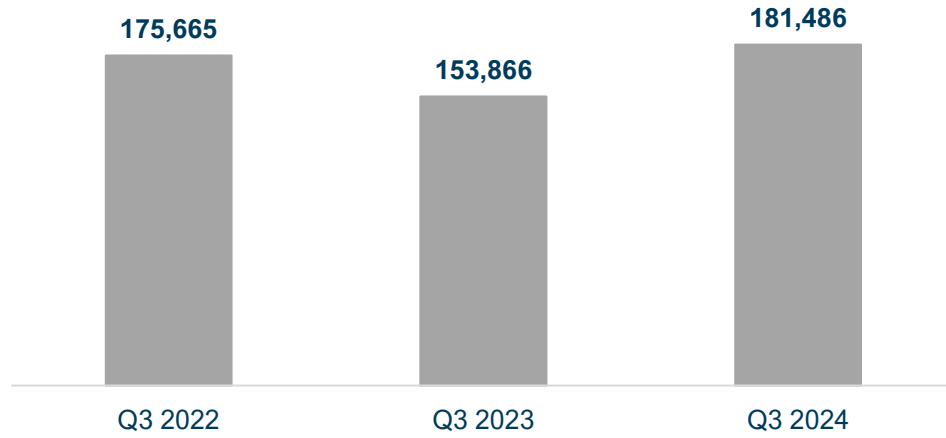
During Q3 2024 **sales revenue** increased by 18.0 percent comparing with the same period last year and amounted to EUR 181.5 million.

During Q3 2024 **EBITDA** reached EUR 24.8 million (increased by 67.6% comparing with the same period last year).

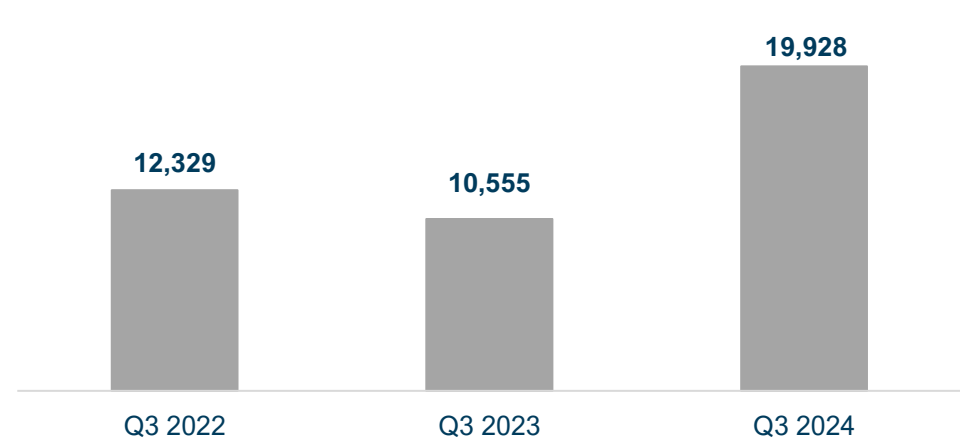
In nine months of 2024, the group's **net profit** amounted to EUR 19.9 million and it was 88.8 percent higher than in the same period in 2023. Profit growth was driven by increased export sales prices of dry milk products and fats.

For 9 months of 2024 a total of 264 thousands tones of **basic indicators milk** was purchased, increased by 7.6 % comparing with 9 months of 2023

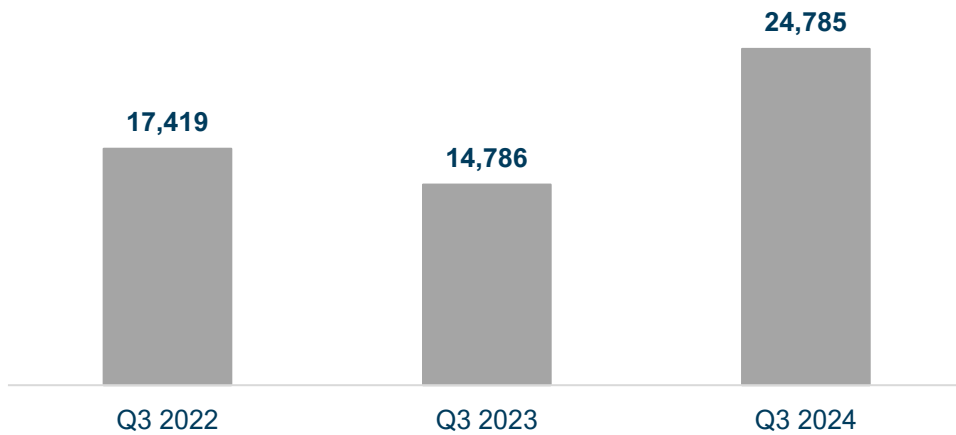
REVENUE, thousands EUR



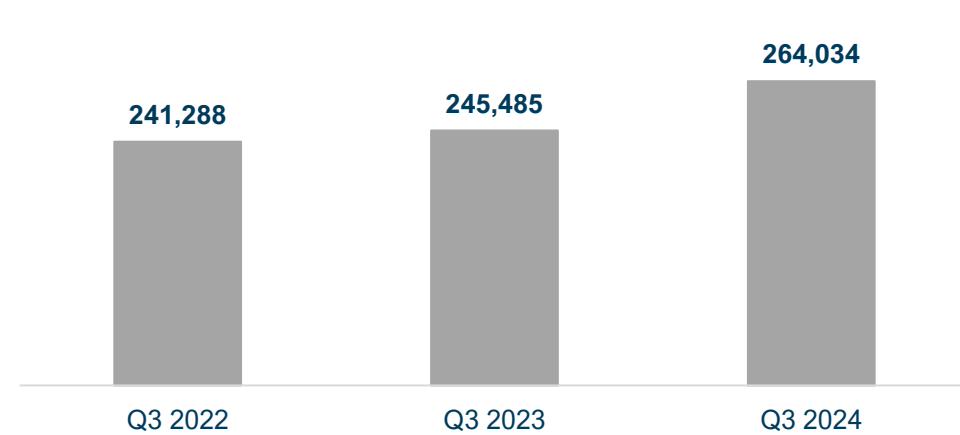
NET PROFIT, thousands EUR



EBITDA, thousands EUR



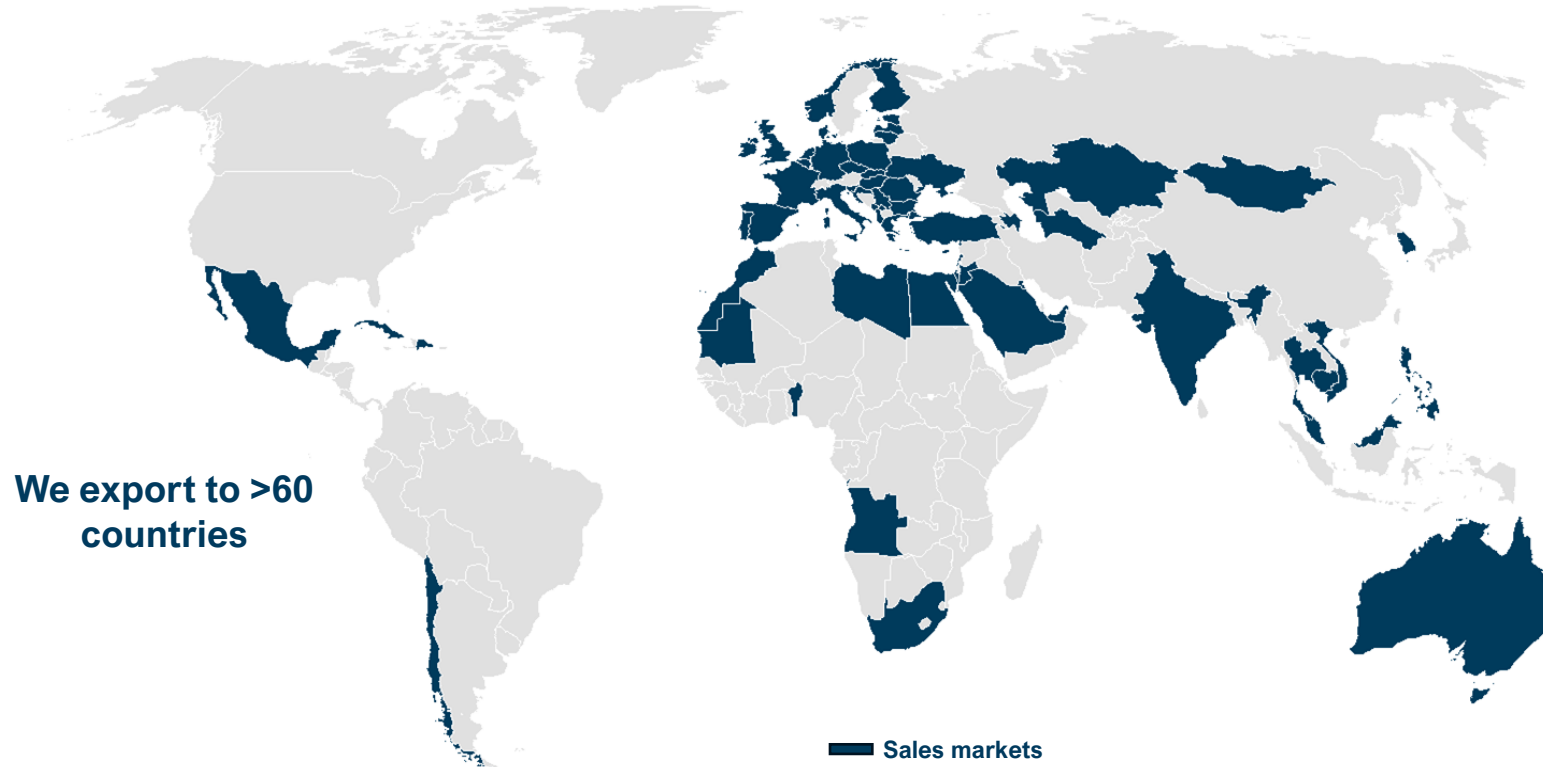
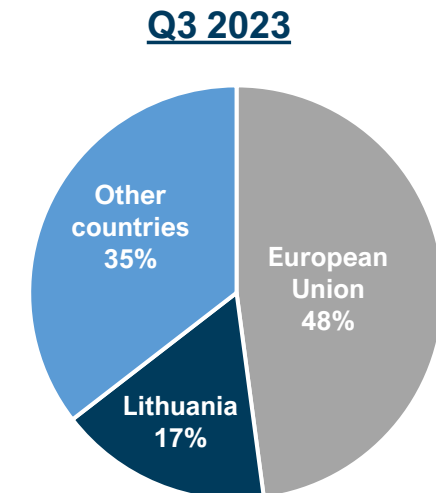
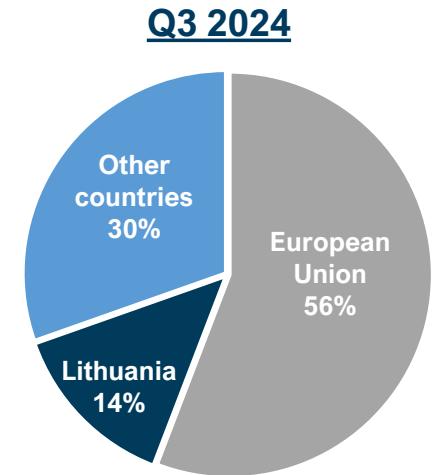
QUANTITY OF PURCHASED MILK, tons



3. SALES REVENUE BY MARKETS



Thousands Eur	Q3 2022		Q3 2023		Q3 2024		Change in 2024/2023	Change in 2023/2022
European Union	104,709	60%	73,688	48%	101,317	56%	37.5%	-29.6%
Lithuania	19,141	11%	25,608	17%	24,996	14%	-2.4%	33.8%
Other countries	51,815	29%	54,570	35%	55,173	30%	1.1%	5.3%
Total revenue:	175,665		153,866		181,486		18.0%	-12.4%



We export to >60 countries

4. SALES REVENUE BY OPERATING SEGMENTS

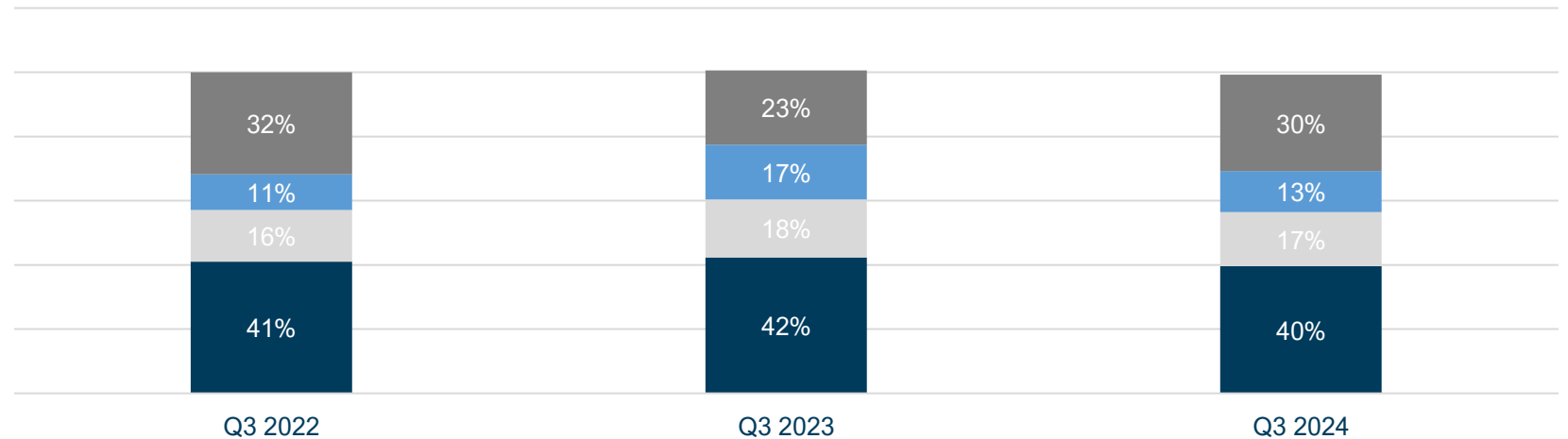
THE SEGMENT COMPRISES:

- **cheese, cheese products and other** - cheese, cheese products and other products produced by the subsidiary and Parent company;
- **fresh milk products** - products produced by the subsidiary (kephir, yoghurt, sour milk, butter, curd products);
- **dry milk products** - WPC, MPC, skimmed-milk, permeate, whey powder produced by the subsidiaries;
- **cream** - industrial cream produced by the subsidiary and Parent company.

Thousands Eur	Q3 2022		Q3 2023		Q3 2024		Change in 2024/2023	Change in 2023/2022
Cheese, cheese products and other	72,031	41%	65,192	42%	71,902	40%	10.3%	-9.5%
Dry milk products	28,332	16%	27,768	18%	30,520	17%	9.9%	-2.0%
Fresh milk products	19,472	11%	25,298	17%	23,207	13%	-8.3%	29.9%
Cream	55,830	32%	35,608	23%	55,857	30%	56.9%	-36.2%
Total revenue:	175,665		153,866		181,486		18.0%	-12.4%

■ Cheese, cheese products and other ■ Dry milk products ■ Fresh milk products ■ Cream

VILVI GROUP sales revenue structure by segments



5. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Thousands Eur

	<u>2024.09.30</u>	<u>2023.12.31</u>
Assets		
Property, plant and equipment	76,212	56,178
Right-of-use assets	1,915	1,542
Intangible assets	4,166	4,168
Non-current amounts receivable	287	913
Non-current assets	82,580	62,801
Inventories	12,857	17,627
Trade and other receivables	22,424	17,207
Prepayments	1,110	679
Cash and cash equivalents	12,092	8,725
Current assets	48,483	44,238
Total assets	131,063	107,039
Equity		
Share capital	3,463	3,463
Share premium	3,301	3,301
Reserves	1,832	1,883
Retained earnings	68,622	52,379
Equity attributable to owners of the Company	77,218	61,026
Non-controlling interest	38	5
Equity	77,256	61,031
Liabilities		
Borrowings	23,893	15,706
Lease liabilities	1,321	775
Government grants	3,299	3,598
Trade and other payables	-	-
Deferred income tax liabilities	1,238	930
Non-current liabilities	29,751	21,009
Borrowings	3,755	3,235
Lease liabilities	601	469
Income tax payable	-	512
Trade and other payables	19,700	20,783
Current liabilities	24,056	24,999
Liabilities	53,807	46,008
Total equity and liabilities	131,063	107,039

Thousands Eur



6. CONSOLIDATED INCOME STATEMENT

	<u>2024.01.01</u> <u>2024.09.30</u>	<u>2023.01.01</u> <u>2023.09.30</u>
Revenue	181,486	153,866
Cost of sales	-152,053	-135,614
Gross profit	29,433	18,252
Other operating income	260	166
Distribution expenses	-3,475	-3,281
Administrative expenses	-4,723	-3,507
Other operating expenses	-174	-171
Other gain (loss) – net	96	155
Results of operating activities	21,417	11,614
Finance income	64	62
Finance costs	-1,246	-1,037
Finance costs, net	-1,182	-975
Profit (loss) before income tax	20,235	10,639
Income tax	-307	-84
Profit (loss) for the period	19,928	10,555
Attributable to:		
Shareholders of the Company	19,895	10,559
Non-controlling interest	33	-4
Profit (loss) for the period	19,928	10,555
Basic and diluted earnings per share (in EUR)	1.67	0.88

7. CONSOLIDATED STATEMENT OF CASH FLOWS

Thousands Eur

	<u>2024.01.01</u> <u>2024.09.30</u>	<u>2023.01.01</u> <u>2023.09.30</u>
Cash flows from operating activities		
Profit (loss) for the period	19,928	10,555
Adjustments for:		
Depreciation of property, plant and equipment	3,689	3,481
Amortization of intangible assets	2	5
Amortization and write-off of grants	-323	-314
Change in inventory write-down allowance	-576	-2,605
Loss (gain) from disposal of property, plant and equipment	-77	-110
Income tax expenses	307	84
Finance costs, net	1,182	974
	24,132	12,070
Change in inventories	5,354	12,055
Change in non-current amounts receivable	626	-237
Change in trade and other receivables and prepayments	-6,320	-4,028
Change in trade and other payables	-513	-3,481
	23,279	16,379
Interest paid	-1,081	-915
Income tax paid	-953	-115
Net cash flows generated from operating activities	21,245	15,349
Cash flows from investing activities		
Payments for acquisition of property, plant and equipment	-23,361	-1,607
Payments for acquisition of intangible assets	-	1
Proceeds from sale of property, plant and equipment	946	359
Acquisition of shares of the subsidiary	-	-400
Loans granted	-	-170
Government grants	24	-
Repayment of loans	600	311
Net cash flows (used in) investing activities	-21,791	-1,506
Cash flows from financing activities		
Proceeds from borrowings	13,166	-
Repayments of borrowings	-4,459	-4,793
Lease payments	-1,091	-311
Payment of dividends	-3,703	-3,164
Net cash flows generated from (used in) financing activities	3,913	-8,268
Net increase (decrease) in cash and cash equivalents	3,367	5,575
Cash and cash equivalents as at 1 January	8,725	621
Cash and cash equivalents as at 30 September	12,092	6,196

ADDITIONAL INFORMATION

8. ABOUT VILVI GROUP

- ✓ The parent company "Vilkyškių pieninė", AB was established in 1993.
- ✓ Company's share capital amounts to EUR 3.5 million.
- ✓ The Company's issue is included in the Official List of "NASDAQ Vilnius" AB.
- ✓ The ISIN code of the securities: LT0000127508, ticker symbol: VLP1L.
- ✓ On the 30th of September 2024, the Group had 951 employees.
- ✓ The production of dairy products is the core of Group business.
- ✓ Food safety and quality certificates of VILVI GROUP companies:

CERTIFICATES	"Vilkyškių pieninė", AB	"Modest", AB	"Kelmės pieninė", AB	"Kelmės pienas", UAB	"Baltic Dairy Board", SIA
ISO 22000			✓		
FSSC 22000	✓	✓	✓		✓
ISO 50001					✓
HALAL	✓	✓	✓		✓
KOSHER			✓		✓
IFS Food Version 8				✓	
Certificate of ecological production				✓	✓
National standard					✓

9. STRUCTURE OF VILVI GROUP

VILVI GROUP
consists of 6 companies

"Vilkyškių
pieninė", AB

Cheese and cheese
products, cream

"Modest", AB

Mozzarella cheese
products and cheese
with blue mold

"Kelmės
pieninė", AB

Dry whey and milk
products (WPC, WPP,
SWP, SMP, proteins
for active people)

"Kelmės
pienas", UAB

Fresh milk products
(kefir, sour cream,
yogurt, curd, glazed
cottage cheese and
others)

"Pieno
logistika", AB

Collection and
transportation of raw
milk, lease of
buildings

"Baltic Dairy
Board", SIA

Production of
ingredients for dairy
products (MPC, MMP,
cream),
decomposition of milk
and whey



10. MANAGEMENT BODIES

SUPERVISORY BOARD



Algimantas Lekevičius
Chairman of the
Supervisory board



Marijana Juškienė
Member of the Supervisory
board



Martynas Bertašius
Member of the Supervisory
board

Supersisory board members elected for a four-year term on 28 April 2023

BOARD



Gintaras Bertašius
Chairman of the Board,
CEO of "Vilkyškių
pieninė", AB



Vilija Milaševičiutė
Member of the Board,
Director of Economics
and Finance at
"Vilkyškių pieninė", AB



Rimantas Jancevičius
Member of the Board,
Director of Raw
Material Purchase at
"Vilkyškių pieninė", AB



**Member of the
Board, Director of
investment projects
Department at
"Vilkyškių pieninė", AB**



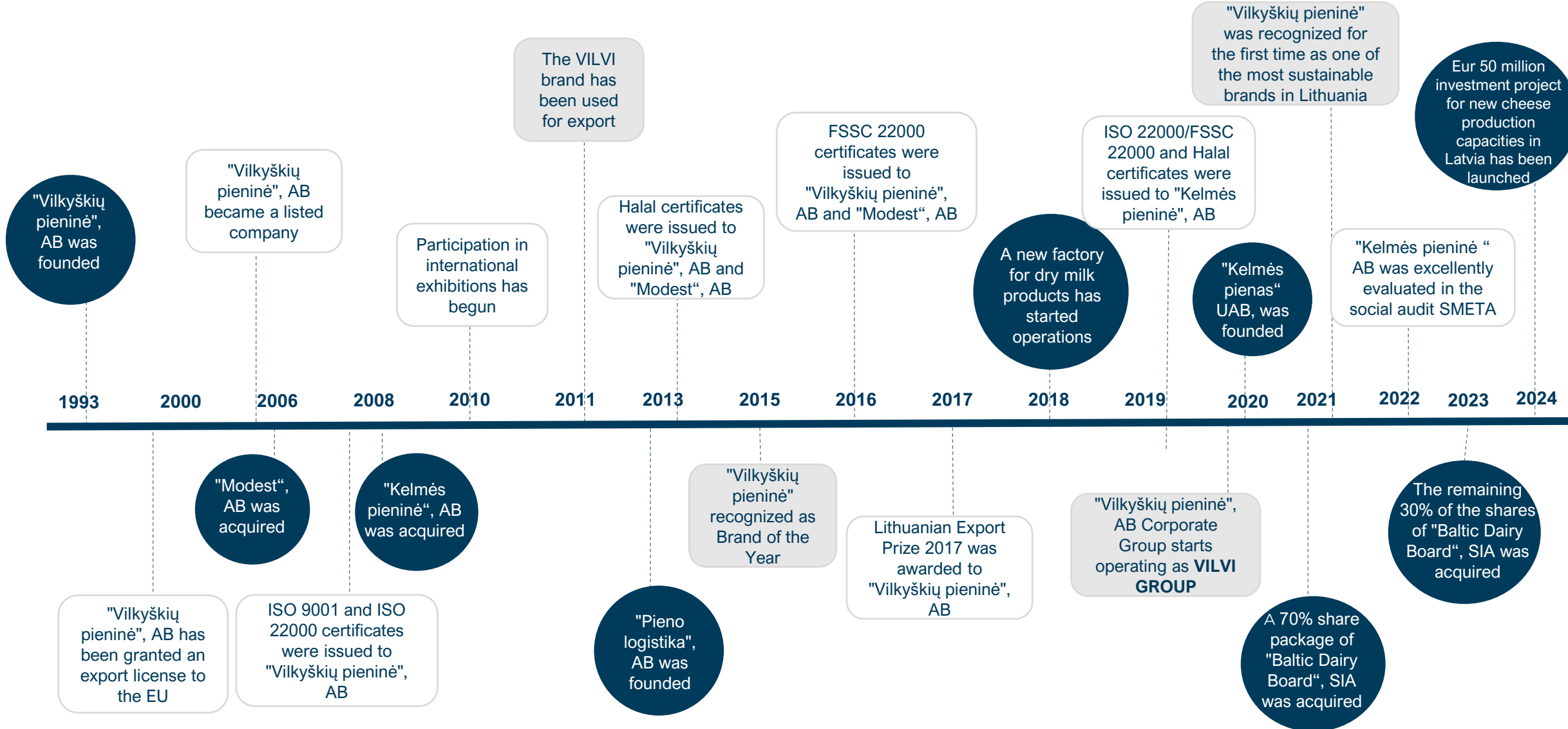
Linas Strėlis
Independent member
of the Board



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

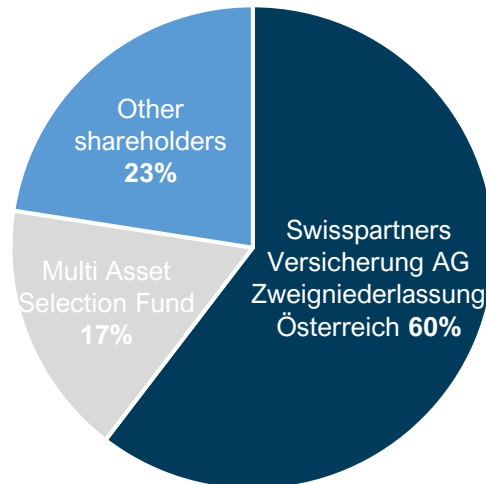


12. SHARE PRICE DATA. MAIN SHAREHOLDERS



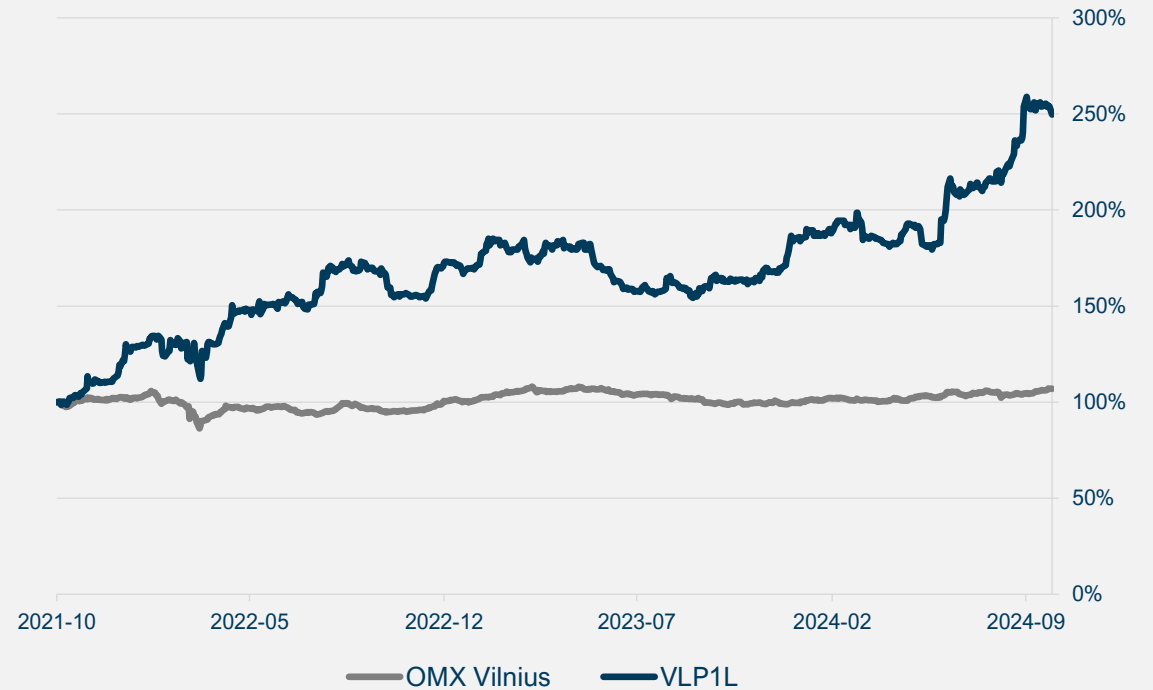
Shareholder	Shares	Ownership interest
Swisspartners Versicherung AG Zweigniederlassung Österreich	7,213,680	60.4%*
Multi Asset Selection Fund	2,035,729	17.0%
Other shareholders	2,693,591	22.6%
Capital in total	11,943,000	100%

*As of 30 September 2024, G. Bertašius did not have shares in "Vilkyškių pieninė" AB, but he owns 60.4% of the votes in the General Meeting of Shareholders (a joint life insurance policy was concluded in the insurance company Swisspartners Versicherung AG Zweigniederlassung Österreich, which has taken over ownership rights to 7,213,680 shares of "Vilkyškių pieninė" AB).



The total number of shareholders on 30-09-2024 was 1,738.

Comparison of "Vilkyškių pieninė", AB share prices and AB „Nasdaq Vilnius“ indices in 2021-2024



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