

EXCERPT

NOTICE OF THE BOARD OF THE PUBLIC COMPANY "ŽEMAITIJOS PIENAS" OF THE INTENT TO DELIST THE COMPANY'S SHARES FROM THE TRADING ON THE REGULATED MARKET AB NASDAQ VILNIUS AND NOT TO EXECUTE THEIR PUBLIC OFFERING

During the Extraordinary General Meeting of Shareholders (hereinafter - the Meeting) of the PUBLIC COMPANY ŽEMAITIJOS PIENAS, registered office at Sedos g. 35, Telšiai, Republic of Lithuania, code 180240752, VAT payer code LT802407515, data are collected and stored in the Register of Legal Entities, registered share capital EUR 14,028,750 (hereinafter - the Company) to be held on June 29 2021, it is planned to consider the issue of initiating the delisting of all shares issued by the Company and to delist them from trading on the regulated market AB Nasdaq Vilnius and not to execute their public offering. Taking into account the above, and in accordance with Articles 28, 29, 33 of the Law on Securities of the Republic of Lithuania (hereinafter - the Law on Securities), as well as other articles of the Law on Securities, the Board of the Company announces its intention to delist the shares issued by the Company from trading on the regulated market of AB Nasdaq Vilnius and not to execute their public offering.

Information about the intended publication of a mandatory official offer

At the Meeting to be convened, upon adoption of the decision to delist the Company's shares from trading on the regulated market AB Nasdaq Vilnius by at least 3/4 of the votes of all participating shareholders and upon adoption of the decision not to execute public offering of the Company's shares by at least 2/3 of the votes of all participating shareholders, the shareholders who voted for these decisions should submit and implement a formal offer as provided for in Article 33 of the Law on Securities. This obligation for other shareholders will be entitled to be fulfilled by one or more shareholders. During the validity of this official offer, the right to sell the Company's shares would be had by the shareholders who voted against the adoption of the decision to delist the Company's shares from AB Nasdaq Vilnius and not to execute public offering of the Company's shares or who did not vote.

Reasons for delisting of the Company's shares from trading on AB Nasdaq Vilnius and non-execution of their public offering

The Board of the Company proposes to the Meeting to consider the issue of delisting of the Company's shares from trading on AB Nasdaq Vilnius and non-execution of their public offering for the following reasons:

1. The Company does not have the purpose to raise additional capital by executing public offers of its shares or other securities on the regulated market of AB Nasdaq Vilnius and has not executed such offers in the past.
2. The presence of the Company's shares on the regulated market does not bring any real benefits to the Company, but requires additional human resources, as well as creates additional costs related to the fulfillment of requirements for listed companies;
3. After the delisting of the Company's shares from trading on the regulated market AB Nasdaq Vilnius, the Company will be able to concentrate all its efforts and will concentrate exclusively on the development of its direct activities.

In view of the above, the Board of the Company proposes to the shareholders of the Company to consider the issue of delisting of the Company's shares from trading on Nasdaq Vilnius AB and non-execution of their public offering.

Measures taken by the Company's management bodies to protect the rights and interests of shareholders

The Company has taken and will take all measures provided for in legal acts to make available to the holders of the issued shares all necessary means and information enabling them to exercise their rights during the

official offer and delisting of the Company's shares from trading on the regulated market Nasdaq Vilnius AB. In accordance with the procedure established by legal acts, the Company will submit to the Bank of Lithuania and AB Nasdaq Vilnius, as well as make public all information related to these processes.

In addition to the above measures, the Board of the Company has planned:

1. Measures for the proper organization of the Meeting to vote by roll-call, with the aim of recording the shareholders of the Company who voted “for” and “against” the issues provided for in the agenda of the Meeting, as well as the shareholders who did not vote.
2. Measures to ensure the provision of the necessary information to the Company's shareholders who will apply to the Company for the possibility to sell their shares during the implementation of the official offer to delist the Company's shares from trading on AB Nasdaq Vilnius.
3. Criteria for the analysis of the circular of the official offer, which seeks to delist the Company's shares from trading on AB Nasdaq Vilnius, once it has been submitted to the relevant shareholders of the Company and approved by the Bank of Lithuania, in order to express the opinion of the Company's Board on the official offer, ensuring that the information provided in the circular is accurate, not misleading and comprehensive.

Expected changes in the composition and activities of the Company's management bodies

The Company does not envisage any changes in the composition and / or activities of its management bodies that would be related to the delisting of the Company's shares from trading on the regulated market of AB Nasdaq Vilnius and the non-execution of their public offering.

Preliminary price offered for the shares

The price of the official offer, which aims to delist the Company's shares from trading on AB Nasdaq Vilnius, is set by the official offerors. The price of the official offer will be determined in accordance with the requirements of Article 29 of the Law on Securities.

Company's Chairman of the Board
Date of signing: June 07, 2021

Robertas Pažemeckas