



Vilkyškių pieninė AB

Interim consolidated unaudited financial
statements for the 6 months of 2021

Content

Confirmation of Responsible Persons	2
Company details	3
Consolidated statement of financial position	4
Consolidated income statement	5
Consolidated statement of comprehensive income	6
Consolidated statement of changes in equity	7
Consolidated statement of cash flows	10
Notes to the consolidated financial statements	11
“Vilvi group” Consolidated interim report for the 6 months of the year 2021	17

Confirmation of Responsible Persons

Following the Article No. 22 of the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, we, Gintaras Bertašius, General Director of Vilkyškių pieninė AB and Vilija Milaseviciute, Economic and Finance Director of Vilkyškių pieninė AB hereby confirm that, unaudited interim consolidated financial statements for the six months of 2021, prepared in accordance with International Financial Reporting Standards of the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss and cash flows of “Vilvi group“. We confirm that review of business development and results is correctly indicated in the consolidated financial statements.

General Director

Gintaras Bertašius

Economics and Finance Director

Vilija Milaševičiūtė



The financial statements were approved and signed by the Management on 31 August 2021.

Company details

Vilkyškių pieninė AB

Telephone: +370 441 55330
Telefax number: +370 441 55242
Company code: 277160980
Registered office: LT-99254 P. Lukosaicio str. 14 Vilkyškiai, Pagegiai
municipality, Lithuania

Board

Gintaras Bertašius (Chairman)
Sigitas Trijonis
Rimantas Jancevičius
Vilija Milaševičiūtė
Andrej Cyba
Linas Strėlis

Management

Gintaras Bertašius, General Manager
Vaidotas Juškys, Executive Director
Sigitas Trijonis, Technical Director
Rimantas Jancevičius, Director for Purchasing Raw Materials
Arvydas Zaranka, Production Director
Vilija Milaševičiūtė, Director for Economic and Financial Affairs
Rita Juodikienė, Director for Corporate Governance and Quality

Banks

SEB bank, AB
Swedbank, AB
Luminor Bank AB
OP Corporate Bank plc Lithuanian branch

Consolidated statement of financial position

Thousand EUR	Note	2021 06 30	2020 12 31
Assets			
Property, plant and equipment		51,965	46,207
Right-of-use assets		1,052	968
Intangible assets		6,942	6,935
Non-current amounts receivable	5	216	226
Deferred income tax assets		921	890
Non-current assets		61,096	55,226
Inventories	6	13,583	11,693
Trade and other amount receivables	7	12,646	9,062
Prepayments	8	602	736
Cash and cash equivalents	9	219	181
Current assets		27,050	21,672
Total assets		88,146	76,898
Equity			
Share capital	10	3,463	3,463
Share premium		3,301	3,301
Reserves		2,223	2,347
Retained earnings		26,509	25,809
Equity attributable to owners of the Company		35,496	34,920
Non-controlling interest		269	53
Equity		35,765	34,973
Liabilities			
Borrowings	11	7,807	2,951
Lease liabilities	11	355	323
Government grants	12	5,583	4,664
Deferred income tax liability		-	-
Non-current liabilities		13,745	7,938
Borrowings	11	18,050	18,083
Lease liabilities	11	377	303
Income tax payable		-	1
Trade and other payables	13	20,209	15,600
Current liabilities		38,636	33,987
Liabilities		52,381	41,925
Total equity and liabilities		88,146	76,898

Consolidated income statement

Thousand EUR	Note	01 01 2021- 30 06 2021	01 01 2020- 30 06 2020	01 04 2021- 30 06 2021	01 04 2020- 30 06 2020
Revenue	1	67,835	55,784	36,182	26,681
Cost of sales	1	-62,854	-51,475	-32,657	-24,334
Gross profit	1	4,981	4,309	3,525	2,347
Other operating income		366	92	300	41
Distribution expenses		-1,777	-1,488	-916	-742
Administrative expenses		-1,662	-1,498	-963	-855
Other operating expenses		-40	-51	-14	-28
Results of operating activities		1,868	1,364	1,932	763
Finance income		27	20	-31	3
Finance costs		-383	-605	-192	-309
Finance costs, net		-356	-585	-223	-306
Profit (loss) before income tax		1,512	779	1,709	457
Income tax		32	453	32	273
Profit (loss) for the period		1,544	1,232	1,741	730
Attributable to:					
Shareholders of the Company		1,531	1,233	1,727	730
Non-controlling interest		13	-1	14	-
Profit (loss) for the period		1,544	1,232	1,741	730
Basic and diluted earnings per share (in EUR)	2	0.13	0.10	0.15	0.06

Consolidated statement of comprehensive income

Thousand EUR	Note	<u>01 01 2021- 30 06 2021</u>	<u>01 01 2020- 30 06 2020</u>	<u>01 04 2021- 30 06 2021</u>	<u>01 04 2020- 30 06 2020</u>
Profit (loss) for the period		1,544	1,232	1,741	730
Other comprehensive income					
Change in fair value of hedging instruments		-	-	-	-
Effect of income tax		-	-	-	-
Other comprehensive income for the period, net of income tax		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income		<u>1,544</u>	<u>1,232</u>	<u>1,741</u>	<u>730</u>
Attributable to:					
Shareholders of the Company		1,531	1,233	1,727	730
Non-controlling interest		13	-1	14	0
Total comprehensive income		<u>1,544</u>	<u>1,232</u>	<u>1,741</u>	<u>730</u>

Consolidated statement of changes in equity

Thousand EUR	Note	Equity attributable to owners of the Company							Total	Non-controlling interest	Total equity
		Share capital	Share premium	Revaluation reserve	Hedging reserve	Reserve for acquisition of own shares	Legal reserve	Retained earnings			
AT 1 January 2020		3,463	3,301	2,233	-	-	346	21,831	31,050	51	31,101
Comprehensive income for the period											
Profit (loss) for the period		-	-	-	-	-	-	1,233	1,233	-1	1,232
Other comprehensive income											
Depreciation, write-off of revalued assets		-	-	-55	-	-	-	55	-	-	-
Total other comprehensive income		-	-	-55	-	-	-	55	-	-	-
Total comprehensive income for the period		-	-	-55	-	-	-	1,288	1,233	-1	-1,232
Contributions by and distributions to owners:											
Transfers to reserve for acquisition of own shares		-	-	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners		-	-	-	-	-	-	-	-	-	-
Changes in the Group not resulting in a loss of control											
Change (decrease) in minority interest		-	-	-	-	-	-	-	-	-	-
Total transactions with shareholders		-	-	-	-	-	-	-	-	-	-
At 30 June 2020	10	3,463	3,301	2,054	-	-	346	23,119	32,283	50	32,333

(continued)

Consolidated statement of changes in equity (continued)

Thousand EUR	Note	Equity attributable to owners of the Company						Total	Non-controlling interest	Total equity	
		Share capital	Share premium	Revaluation reserve	Hedging reserve	Reserve for acquisition of own shares	Legal reserve				Retained earnings
At 1 July 2020		3,463	3,301	2,054	-	-	346	23,119	32,283	50	32,333
Comprehensive income for the period											
Profit (loss) for the period		-	-	-	-	-	-	2,637	2,637	3	2,640
Other comprehensive income											
Depreciation, write-off of revalued assets		-	-	-53	-	-	-	53	-	-	-
Total other comprehensive income		-	-	-53	-	-	-	53	-	-	-
Total comprehensive income for the period		-	-	-53	-	-	-	2,690	2,637	3	2,640
Contributions by and distributions to owners:											
Dividends		-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners		-	-	-	-	-	-	-	-	-	-
Changes in the Group not resulting in a loss of control											
Change (decrease) in minority interest		-	-	-	-	-	-	-	-	-	-
Total transactions with shareholders		-	-	-	-	-	-	-	-	-	-
At 31 December 2020	10	3,463	3,301	2,001	-	-	346	25,809	34,920	53	34,973

(continued)

Consolidated statement of changes in equity (continued)

Thousand EUR	Equity attributable to owners of the Company								Non- controlling interest	Total equity	
	Note	Share capital	Share premium	Revaluation reserve	Hedging reserve	Reserve for acquisition of own shares	Legal reserve	Retained earnings			Total
At 1 January 2021		3,463	3,301	2,001	-	-	346	25,809	34,920	53	34,973
Comprehensive income for the period											
Profit (loss) for the period		-	-	-			-	1,531	1,531	13	1,544
Depreciation, write-off of revalued assets		-	-	-124	-	-	-	124	-	-	-
Total other comprehensive income		-	-	-124	-	-	-	124	-	-	-
Total comprehensive income for the period		-	-	-124	-	-	-	1,655	1,531	13	1,544
Contributions by and distributions to owners:											
Transfers to legal reserve		-	-	-	-	-	-	-	-	-	-
Transfers to reserve for acquisition of own shares		-	-	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-955	-955	-	-955
Total contributions by and distributions to owners		-	-	-	-	-	-	-955	-955	-	-955
Changes in the Group not resulting in a loss of control											
Change (decrease) in minority interest		-	-	-	-	-	-	-	-	203	203
Total transactions with shareholders		-	-	-	-	-	-	-	-	203	203
At 30 June 2021	10	3,463	3,301	1,877	-	-	346	26,509	35,496	269	35,765

Consolidated statement of cash flows

Thousand EUR	Note	2021 01 01- 2021 06 30	2020 01 01- 2020 06 30
Cash flows from operating activities			
Profit (loss) for the period		1,544	1,232
Adjustments for:			
Depreciation of property, plant and equipment	3	2,412	2,242
Amortization of intangible assets	4	8	6
Amortization and write-off of grants	12	-371	-288
Loss (gain) from disposal of property, plant and equipment		88	1
Income tax expenses		-32	-453
Finance costs, net		356	585
		4,005	3,325
Change in inventories		-1,891	-232
Change in non-current amounts receivable		11	8
Change in trade and other receivables and prepayments		-3,680	1,103
Change in trade and other payables		4,620	581
		3,065	4,785
Interest paid		-314	-501
Income tax paid		-	-
Net cash flows generated from operating activities		2,751	4,284
Cash flows from investing activities			
Payments for acquisition of property, plant and equipment		-1,614	-1,421
Payments for acquisition of intangible assets		-15	-12
Proceeds from sale of property, plant and equipment		423	2
Acquisition of shares of the subsidiary		-250	-
Loans granted		-	-150
Government grants received		-	-
Loans recovered		250	-
Change in cash flows from investing activities due to a business combination		-454	-
Net cash flows generated from (used in) investing activities		-1,660	-1,581
Cash flows from financing activities			
Proceeds from borrowings		3,859	2,251
Repayments of borrowings		-3,778	-4,913
Lease payments		-179	-193
Dividends paid out		-955	-
Net cash flows generated from (used in) financing activities		-1,053	-2,855
Net increase (decrease) in cash and cash equivalents		38	-152
Cash and cash equivalents at 1 January	9	181	298
Cash and cash equivalents at 30 June	9	219	146

Notes to the consolidated financial statements

General information

Vilkyškių pieninė AB was established in 1993. Company's core line of business is production and sale of different types of cheese, whey products and cream. Business activities are carried out in the main production buildings located in Vilkyškiai, Pagėgiai region municipality.

The Parent Company has no branches or representative offices.

"Vilvi Group" consists of the following companies (hereinafter "the Group"):

The following companies	Company's address	Part of shares owned by the Company (%)		Main business activities
		2021 06 30	2020 12 31	
"Modest" AB	Gaurės st. 23, Tauragė	99,7	99,7	Milk processing and production of milk products
Kelmės pieninė AB	Gaurės g. 23, Tauragė	100	100	Milk processing and production of milk products
"Kelmės pienas" UAB	Raseinių g. 2, Kelmė	100	100	Milk processing and production of milk products
"Pieno logistika" AB	Pagojo st. , Pagojo village, Kelmės district.	58,9	58,9	Lease of buildings
"Baltic Dairy Board" SIA(*)	Stacijas str. 1, Bauska, Latvia	70	-	Recycling of milk / whey and production of dairy ingredients

(*) On 1 April 2021, the Company finalised the acquisition of 70% of shares of "Baltic Dairy Board" SIA. It is a Latvian company specialising in the production and trade of high added value milk product ingredients, and processing of milk and whey. They also creating and producing products intended for infant food production (galactooligosaccharide products).

The Group will benefit from the newly arising synergy among the current Group companies and "Baltic Dairy Board" SIA in the processes of whey processing and purchases of raw materials.

2021 June 30 The management has not completed the distribution of the purchase price of S" Baltic Dairy Board" SIA, as the period for valuing the business has not yet expired (IFRS 3).

At 30 June 2021 the Group had 860 employees (31 December 2020 - 830).

Vilkyškių pieninė AB is a Lithuanian company listed on AB Nasdaq OMX Vilnius Stock Exchange. As at 30 June 2021, the Company's shareholder structure was as follows:

Shareholder	Shares	Nominal value in EUR	Total value EUR
Swisspartners Versicherung AG Zweigniederlassung Österreich	6,067,206	0.29	1,759,490
Multi Asset Selection Fund	2,035,729	0.29	590,361
Other minority shareholders	3,840,065	0.29	1,113,619
Total capital	11,943,000	0.29	3,463,470

As from April 2018, Mr Gintaras Bertasius, the main shareholder of Vilkyškių Pieninė AB, together with related persons concluded a joint life insurance policy with Swisspartners Versicherung AG Zweigniederlassung Österreich, by contributing in total 6,067,206 (50.8%) of ordinary registered shares held in Vilkyškių Pieninė AB. The insurance company had irrevocably granted powers to exercise all non-property

rights of a shareholder, including the right to vote at the meeting of shareholders of the issuer, to Mr Gintaras Bertašius and the related persons for the entire validity period of the insurance policy.

The Company's ultimate controlling party is Mr Gintaras Bertašius and persons related to him (R. Bertašienė, G. Jozūnienė).

Basis for preparation

Statement of compliance

These are interim consolidated financial statements (hereinafter - financial statements or consolidated financial statements) of "Vilvi group", which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the consolidated annual financial statements for the year 2020. There have been no other significant IFRS changes that could have impact on financial statements of the Group.

A detailed description of the accounting policies presented in the consolidated financial statements for the year ended 2020 December 31.

The interim consolidated financial statements for the 6 months 2021 are unaudited.

Measurement basis

The financial statements have been prepared on a historical cost basis except for:

- buildings that are a part of property, plant and equipment and measured at fair value, less any subsequent accumulated depreciation and impairment losses;
- buildings that a part of investment property and measures at fair value.

Functional and presentation currency

All amounts in these financial statements are presented in the euros (EUR) and they have been rounded to the nearest thousand.

Foreign currency transactions

Foreign currency transactions are translated into the euros using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency are translated in the euros using the exchange rate prevailing at the date of the preparation of the statement of financial position. All foreign currency transactions have been translated in accordance with the provisions of the Law on Accounting using the exchange rate of the euro against the foreign currency prevailing at the date of the transaction.

Foreign exchange differences arising from the settlement of such transactions are recognised in the statement of profit or loss. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated into the euros using the official exchange rate prevailing at the date of the transaction.

Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the Group's consolidated financial statements from the date on which the Group obtains control, and continue to be included until the date that such control ceases.

All intra-group transactions and balances are eliminated for the purpose of the consolidated financial statements.

Summary of significant accounting policies

1 Segment information

The Group has several operating segments which are as described below.

The segments represent different product groups, which are managed separately because they require different technology and marketing strategies. The Board and the General Manager review internal management reports prepared for each product group on a monthly basis.

The following summary describes the products in each operating segment of the Group:

- *Cheese, cheese products and other.* The segment comprises cheese, cheese products, industrial cream, “Baltic Dairy Board“ SIA production and other;
- *Dry milk products.* The segment comprises WPC, skimmed-milk, permeate and whey powder produced by the subsidiaries;
- *Fresh milk products.* The segment comprises fresh milk products produced by the subsidiaries (kephir, yoghurt, sour milk, butter, curd products);

Results of operations of the operating segments as at 30 June 2021:

Thousand EUR	Cheese, cheese products and other	Dry milk products	Fresh milk products	Total
Sales	47,518	11,033	9,284	67,835
Cost of sales	-45,532	-8,980	-8,342	-62,854
Gross profit	1,986	2,053	942	4,981

Results of operations of the operating segments as at 30 June 2020:

Thousand EUR	Cheese, cheese products and other	Dry milk products	Fresh milk products	Total
Sales	36,908	9,919	8,957	55,784
Cost of sales	-37,603	-7,104	-6,768	-51,475
Gross profit	-695	2,815	2,189	4,309

Disclosure by geographical location:

Thousand EUR	01 01 2021- 30 06 2021	01 01 2020- 30 06 2020
Lithuania	11,333	9,931
European Union, except for Lithuania	31,288	30,581
Other countries	25,214	15,272
	67,835	55,784

2 Earnings per share

	01 01 2021- 30 06 2021	01 01 2020- 30 06 2020
Number of issued shares calculated based on the weighted average unit cost method, in thousands	11,943	11,943
Net profit (loss) attributable to holders of ordinary shares of the Parent Company in thousand EUR	<u>1,544</u>	<u>1,232</u>
Basic earnings (loss) per share (in EUR)	<u><u>0.13</u></u>	<u><u>0.10</u></u>

3 Property, plant and equipment

Depreciation is recognized in production, distribution, administrative and other operating expenses of profit (loss) statement.

On 30 June 2021 depreciation amounted to 2,412 thousand EUR (on 30 June 2020 – 2,242 thousand EUR).

4 Intangible assets

Amortization is calculated in administrative expenses of profit (loss) statement.

On 30 June 2021 amortization amounted to 8 thousand EUR (on 30 June 2020 - 6 thousand EUR).

5 Non-current amounts receivable

Thousand EUR	30 06 2021	31 12 2020
Financial instruments		
Loans granted to related parties	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Non-financial assets		
Prepayments to related parties (a)*	127	127
Non-current amounts receivable from farmers (b)	88	98
Other non-current amounts receivable	<u>1</u>	<u>1</u>
	<u>216</u>	<u>226</u>

(a) * The prepayment must be settled in full by 31 December 2023. The outstanding balance of the prepayment is subject to an administration fee.

(b) Non-current amounts receivable from farmers comprise prepayments made to milk suppliers for milk. These prepayments are subject to an administration fee.

6 Inventories

Thousand EUR	30 06 2021	31 12 2020
Finished products	<u>10,190</u>	<u>8,724</u>
	<u>10,190</u>	<u>8,724</u>
Raw materials	394	263
Consumables	2,694	2,507
Work in progress	262	199
Non - current assets held for resale	<u>43</u>	<u>-</u>
	<u>13,583</u>	<u>11,693</u>

Raw materials include milk and other materials used in the production.

As at 30 June 2021, the Group's inventories with the net book amount of up to EUR 8,764 thousand (31 December 2020: up to EUR 7,418 thousand) have been pledged to financial institutions.

7 Trade and other receivables

Thousand EUR	Note	30 06 2021	31 12 2020
Trade receivables		11,276	7,607
Impairment losses		-95	-95
Loans granted to related parties, including interest charged and administration fee		151	415
Financial assets		11,332	7,927
Taxes receivable (other than income tax)		1,281	1,073
Other receivables from related parties		12	12
Other receivables		21	50
Total trade and other receivables		12,646	9,062

Taxes receivable mostly consist of VAT receivable.

Trade and other receivables are non-interest bearing and are settled with the term of 30 days.

Trade receivables with the carrying amount of not less than EUR 81 thousand have been pledged to Luminor Bank AB. As at 30 June 2021, the amount receivable pledged was equal to EUR 121 (30 June 2020: EUR 129 thousand).

8 Prepayments

Thousand EUR	30 06 2021	31 12 2020
Prepayments (a)	468	545
Prepayments to related parties	134	191
	602	736

(a) Prepayments consist of prepayments made to the companies for goods and services and to farmers for milk.

9 Cash and cash equivalents

Thousand EUR	30 06 2021	31 12 2020
Cash at bank	187	135
Cash on hand	32	46
	219	181

Cash inflows into bank accounts were pledged to secure repayment of bank borrowings.

10 Capital

As at 30 June 2021, the Parent Company's authorised share capital was divided into 11,943,000 ordinary shares with the nominal value of EUR 0.29 each. All the shares are fully paid.

Pursuant to the Law on Companies, the holders of ordinary shares have one vote per share at the Company's shareholders' meeting, the right to receive dividends, and the right to receive payments in the event of liquidation of the company.

11 Borrowings and lease liabilities

Thousand EUR	30 06 2021	31 12 2020
Non-current borrowings	8,162	3,274
Current borrowings and lease liabilities	18,427	18,386
Total borrowings	26,589	21,660

During the first half of this year, the term of the factoring agreement has been extended with Luminor Bank, leasing agreements were signed with Scania Finans Aktiebolag Lithuanian branch and AB OP finance, changing the terms of the factoring agreement with SEB Bank. The consolidated financial statements of Vilvi Group for the first half of 2021 include and acquired loans held by “Baltic Dairy Board“ SIA.

12 Government grants

Thousand EUR	30 06 2021	31 12 2020
Opening net book amount	5,954*	5,243
Grants received	-	-
Grant receivable	-	34
Amortisation recognised in profit or loss and write-off of grants	-267	-607
Write-off of grants upon disposal of assets	-104	-6
Closing net book amount	5,583	4,664

* The amount does not correspond to 2020 financial statements regarding the acquisition of the subsidiary “Baltic Dairy Board“ SIA.

13 Trade and other payable amounts

Thousand EUR	30 06 2021	31 12 2020
Financial instruments		
Trade payables	13,205	8,547
Trade payables to related parties	13	32
Other amounts payable to related parties	-	-
	13,218	8,579
Non-financial instruments		
Employment-related liabilities (a)	2,597	2,900
Advance amounts received	337	175
Dividends payable	74	74
Taxes payable (other than income tax)	3,844	3,097
Accrued expenses and provisions	10	40
Other amounts payable	129	735
	6,991	7,021
	20,209	15,600

(a,b) Obligations relating to an employment relationship consist of salaries, fees payable, holiday reserves and payable VAT taxes. Payable taxes accumulated during Covid – 19 pandemic.

14 Subsequent events

No significant events have occurred.

“Vilvi group” Consolidated interim report for the 6 months of the year 2021

I. Issuer Overview

1. Accounting period for which the interim report has been prepared

The report has been prepared for 6 months of the year 2021.

2. Issuer Information and Contact Details

Name of Issuer	AB Vilkyškių pieninė (hereinafter – Company or Issuer)
Legal Form	Public limited company (Lith. Akcinė bendrovė)
Date and place of registration	18 May 1993, VĮ Registrų centras
Date and place of re-registration	30 December 2005, VĮ Registrų centras
Head office address	P.Lukošaičio str. 14, Vilkyškiai, LT-99254, Pagegiai municipality
Registration No.	060018
Company Register Code	277160980
Telephone	+370 441 55330
Fax	+370 441 55242
E-mail	info@vilvi.eu
Website	www.vilvigroup.lt

3. Subsidiary Company Data and Contact Details:

“Modest” AB

Name of subsidiary	“Modest” AB (hereinafter – “Modest” AB)
Legal form	Public limited company
Date of registration	25 March 1992
Date of re-registration	31 December 2009, VĮ Registrų centras
Registration No.	017745
Company register code	121313693
Head office	Gaurės str. 23, LT-72340 Tauragė
Telephone	+370 446 72693
Fax	+370 446 72734
E-mail	modest@vilvi.eu
Website	www.vilvigroup.lt

AB Kelmės pieninė

Name of subsidiary	Kelmės pieninė AB (hereinafter – Kelmės pieninė AB)
Legal form	Public limited company
Date of registration	3 August 1993, VĮ Registrų centras
Date of re-registration	4 July 2007
Head office	Gaurės g. 23, LT-72340 Tauragė
Registration No.	110109
Company register code	162403450
Telephone	+370 427 61246
Fax	+370 427 61235
E-mail	kelmepienine@vilvi.eu
Website	www.vilvigroup.lt

“Kelmės pienas” UAB

Name of Kelmės pieninė AB subsidiary	“Kelmės pienas” UAB (hereinafter – “Kelmės pienas” UAB)
Legal form	Limited liability company
Date of registration	17 November 2020, VĮ Registrų centras
Head office	Raseinių str. 2, LT-86160 Kelmė
Company register code	305658215
Telephone	+370 427 61246
E-mail	kelmespienas@vilvi.eu
Website	www.vilvigroup.lt

“Pieno logistika” AB

Name of subsidiary	“Pieno logistika” AB (hereinafter – “Pieno logistika” AB)
Legal form	Public limited company
Data and place of registration	10 December 2013, Šiauliai Division of VĮ Registrų centras
Head office	Pagojo str. 1, Pagojo km., Kelmės raj.
Company register code	303203457
Telephone	+370 427 61246
Fax	+370 427 61235
E-mail	stasys.stanevicius@vilkyškiu.lt
Website	www.vilvigroup.lt

“Baltic Dairy Board” SIA

Name of subsidiary	“Baltic Dairy Board” SIA (hereinafter – “Baltic Dairy Board” SIA)
Legal form	Limited liability company
Data and place of registration	21 July 2008, Commercial Registry of Republic of Latvia
Head office	Stacijas str. 1, Bauska, LV-3901, Latvia
Company register code	43603036823
Telephone	+371 63026899
E-mail	info@bdb.lv
Website	http://www.bdb.lv/

4. Main Types of Activity

The main business activity of “Vilvi Group” is production and sale of dairy products (EVRK 10.51).

The main business activity of Vilkyškių pieninė AB is production and sale of fermented cheese, cream and whey products.

Subsidiary company “Modest” AB makes mozzarella cheese, mould cheese, smoked, melt cheese and other cheese products.

Subsidiary company Kelmės pieninė AB produces dry milk products – WPC, SMP, permeate and whey powder.

“Kelmės pienas” UAB produces fresh dairy products: kefir, sour cream, yogurts, cottage cheese, glazed curd bars, butter.

Subsidiary company “Pieno logistika” AB mainly engages in the lease of buildings.

Subsidiary company “Baltic Dairy Board” SIA produces high value-added dairy ingredients (GOS) and milk and whey separation.

5. Agreements with Brokerages for Public Issue

Vilkyškių pieninė AB has an underwriting agreement with FMĮ Orion Securities UAB brokerage (address A. Tumėno str. 4, B korp., LT-01109, Vilnius) on the accounting of Vilkyškių pieninė AB, Kelmės pieninė AB an “Modest” AB shareholders and services associated with the accounting of the Company’s securities. FMĮ Finasta AB brokerage manages shareholder accounts for “Pieno logistika” AB.

6. Trading in the Issuer’s Securities on Regulated Exchanges

The name of securities: Vilkyškių pieninė AB common registered shares. The number of securities issued: 11,943,000 units. Share face value: EUR 0.29 per share.

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.

The Company’s shares have been listed since 17 May 2006.

The securities of the subsidiary companies are not publicly traded.

II. OVERVIEW OF OPERATIONS

“Vilvi Group” produces a wide range of delicious dairy products based on original recipes, many of them acknowledged for their taste and quality at international trade fairs. We are proudly continuing the long-standing traditions of cheese production that originated in the picturesque region of Lithuania surrounded by wonderful nature. The lush flood-meadows of the Nemunas River inspire us to create and share what nature has so generously bestowed on us.

Our mission is to provide people across the whole world more opportunities to enjoy dairy products.

Our Values:

Quality – we produce high-quality dairy products and abide by the highest standards.

Innovations – we continually delight our consumers by introducing new products and providing opportunities to experience new taste sensations. We constantly invest in new technologies and expand our product range. We are interested in creating and sharing the results of our work. After all, it is how new traditions are being born, is not it?

Competence – in the hands of our dairy masters dairy foods turn into exclusive and original high-quality products.

Honesty – we are open and reliable. Our customers’ trust and respect are extremely important to us. The basis of our activity includes the time-proved relations with our business partners and professionalism of our employees.

7. Patents & Licenses

Product quality, customer needs satisfaction and food safety requirements are priorities at “Vilvi Group”. To maintain high product quality, quality management and food safety systems are constantly monitored, revised and improved.

On 8 May 2000, Vilkyškių pieninė AB received a license to export its products to the European Union member states. The Company operates a quality management system (HACCP system).

Vilkyškių pieninė AB has obtained certification of its Quality Management and Food Safety systems under the international standard ISO 22000/ FSSC 22000. This certification scheme is part of the Global Food Safety Initiative (GFSI) and is equivalent to such internationally recognised standards as BRC and IFS.

Until 2013, Kelmės pieninė AB worked in accordance with ISO 22000/ FSSC 22000 standards, but in 2015 it extended the scope of certification and now covers the processing of all products. From 2021, part of the fresh milk products business was transferred to “Kelmės pienas“ UAB. The food safety management system

certificates ISO 22000/FSSC 22000 related to the production of fresh milk products have been amended accordingly.

“Modest” AB is also certified under ISO 22000/FSSC 22000 certification scheme for product development, production and sale.

In order to attract buyers in Islamic countries, Vilkyškių pieninė AB, “Modest” AB and Kelmės pieninė AB (dry milk products) have been certified according to Halal rules. From year 2015 certification for Halal products continues every year. Halal products are associated with product safety, health, quality, ecology. These products are used by people of other religions as well.

In 2017, factory of dry milk products of Kelmės pieninė was registered and started to operating. It received the veterinary approval number, which granted the right to export production to all EU and other third countries. The factory has established a physicochemical research laboratory equipped with state-of-the-art ultra-reliable equipment for ensuring the quality control of products. The laboratory carries out research using analyzers operating on the basis of infra-red analyzers and using reference (classical) methods of investigation.

In 2018 Kelmės pieninė AB, dry milk products certified according to ISO 22000/FSSC 22000 Certification Scheme.

In 2019 the laboratory of Vilkyškių pieninė AB received Food business operator laboratory approval permit.

In 2020, Kosher certificate issued to Kelmės pieninė AB, dry milk products. All “Vilvi Group” companies were certified according to the updated ISO 22000/FSSC 22000 certification schemes.

The quality management and food safety systems are subject to continuous monitoring, review and improvements with a view to maintaining the high quality of the Company’s products. Every year “Vilvi Group” audits according to ISO 22000 / FSSC 22000 certification schemes.

8. Human Resources

One of the strategic goals of “Vilvi Group” is to be a desirable employer in Tauragė county. Therefore, human resource policies are oriented to formation of value creation culture, overall team wellbeing cooperating and developing professional and personal skills. “Vilvi Group” companies create environment for knowledge sharing and skills development through internal and external training, employees are encouraged to offer their ideas and participate in attraction of new personnel.

The Company implements Career Management System project that includes more than 200 administrative employees. The aim of the project is to evaluate the viability of existing employees in their internal career promotion.

The Company cooperates with educational institutions and recruitment agencies to recruit employees with necessary qualification. Professional information, career planning and excursions to production sites are organized.

An important task of the employee policy of the “Vilvi Group” is to ensure the safety, health and decent working conditions of its employees. Each year, the Company’s employees can obtain free health and vision check-ups and flu vaccinations. The designated occupational safety and health professional continuously monitors and ensures that workplaces comply with safety and health regulations. Psychosocial factor risk analysis and stress reduction at work gets special attention.

As Covid-19 infection hit the country the companies of “Vilvi Group” in order to protect employees from the virus threat continuously monitor their health. Production and administrative premises are often cleaned, disinfected and ventilated. Employees are discouraged to interact personally if no necessity exists and while interacting safe distance is kept, face masks and other personal safety means are obligatory.

“Vilvi Group” has adopted Remuneration System that ensures clear, reasonable and equitable wages. Confidential information directly related to business and employee personal data are managed in accordance with General Data Protection Regulation (GDPR). The Group adopted *IT Security Policy* and *Rules for Management of Personal Data* and others.

“Vilvi Group” is an active member of the community. The Group support and participate in cultural and educational events, promote active social life in the regions, strengthen ties and cooperation with local communities.

9. Environmental Protection

“Vilvi Group” has an environmental protection policy aimed at reducing the environmental impact of its operations, ensuring integrated pollution prevention measures, minimizing the use of resources and waste generation, so that its operations do not affect air, water and soil. “Vilvi Group” performs regular environmental impact analysis and assessment.

Based on the European Parliament and Council IPPC Directive 2008/1/EC, Vilkyškių pieninė AB is attributable to the Annex I installations and is required to have an IPPC permit. The Company obtained its first IPPC permit from the Klaipėda Regional Environmental Protection Department on 10 August 2004, which was renewed on 4 December 2020.

Kelmės pieninė AB IPPC permit was revoked according to the criteria of the Order of the Minister of the Environment of the Republic of Lithuania D1-330 "On the Rules for Updating and Eliminating the Issues of Integrated Pollution Prevention and Control Authorization". The activities performed by the company do not meet the criteria specified in the annexes to the order, therefore the IPPC permit is revoked, instead of it was issued boiler pollution permit No. TL-Š.3-20/2020 in accordance with the provisions of Paragraphs 40 and 41 of the Rules. From 2021, a part of the fresh milk products business was transferred to “Kelmės pienas“ UAB. Accordingly, the Environmental Protection Agency transferred the boiler pollution permit to “Kelmės pienas“ UAB .

“Modest” AB IPPC permit was revoked according to the criteria of the Order of the Minister of the Environment of the Republic of Lithuania D1-330 "On the Rules for Updating and Eliminating the Issues of Integrated Pollution Prevention and Control Authorization". The activities performed by the company do not meet the criteria specified in the annexes to the order, therefore the IPPC permit is not required.

Based on the existing legal requirements, programmes have been put in place at Vilkyškių pieninė AB to monitor the impact of water source and fuel storage on underground waters and to monitor air pollutant emissions and sources of wastewater.

In 2015 Vilkyškių pieninė AB finished modernisation of its wastewater treatment plant in order to boost treatment efficacy. This is being done in line with the main national strategies and legal acts on wastewater treatment: the Baltic Marine Environment Protection Strategy, the Lithuanian Law on Waters, the National Long-Term Development Strategy and the National Sustainable Development Strategy.

Production wastewater is treated at the Company’s own combined biomechanical treatment facility. The resulting sludge is given to local waste management bodies and is used as fertiliser in agriculture. Wastewater treatment efficacy has been estimated to be up to 99 percent. In 2020, an automatic wastewater disposal control system was installed to prevent excess sewage sludge from entering the environment together with treated waste water.

Production wastewater generated by “Kelmės pienas” UAB, during the production of fresh milk products is discharged into *Kelmės vanduo* UAB water treatment facilities.

Kelmės pieninė AB produces powdery, dusty products therefore it is very important to minimize hard particle and waste emissions to air and environment. Air polluted with hard particles is directed towards filters and cleaned there is emitted to environment. According to drying factory equipment manufacturers’ data whey, permeate, skimmed milk are odorless materials therefore no odors are released into environment.

“Modest” AB has implemented the best available techniques (BAT), and its running costs and emissions are in line with the prescribed EU levels. Wastewater of “Modest” AB is discharged into the urban wastewater system operated by Tauragės vandenys UAB. Monitoring is carried out by Tauragės vandenys UAB. Wastewater meter was installed in order to account wastewater more accurately. Rain water is collected and cleaned with oil product filter and afterwards released to Beržė river.

The Companies of the “Vilvi Group” invest in environment-friendly solutions. They responsibly choose packaging designs and materials. Each product packaging is labelled with information how to properly dispose and sort it after product is consumed.

Production waste is managed and accounted according to approved environment requirements in GPAIS (product, packaging, and waste accounting information system).

In all Companies of the Group waste is disposed according to Republic of Lithuania regulatory norms therefore there is no negative impact on environment.

10. “Vilvi Group” Results of Operations

Taking into account the goals and strategy of “Vilvi Group”, we use the selected long-term values that are the most important indicators for assessing the Company's and our Group's activities. The indicators are financial and relative.

Key financial consolidated indicators of “Vilvi Group”:

	6 months of 2019	6 months of 2020	6 months of 2021
Revenue (EUR tho)	53,581	55,784	67,835
EBITDA (EUR tho)	1,208	3,324	3,917
EBITDA margin, pct	2.3	6.0	5.8
Operating profit (EUR tho)	-712	1,364	1,868
Operating profit margin, pct	-1.3	2.4	2.8
Profit before tax (EUR tho)	-1,256	779	1,512
Profit before tax margin, pct	-2.3	1.4	2.2
Net profit	-761	1,232	1,544
Profit margin, pct	-1.4	2.2	2.3
Earnings per share (EUR)	-0.06	0.10	0.13
Number of shares (units, tho)	11,943	11,943	11,943

At first half of 2021, **sales revenue** came to 67.8 MEUR (21.6 percent more than in 6 months of 2020). At reporting period **EBITDA** was 3.9 MEUR (17.8 % more than in previous year same period). EBITDA margin was 5.8 percent in 6 months of 2021, then in previous year same period was 6.0 percent. **Operating profit (EBIT)** was 1.9 MEUR at reporting period or 37.0 % more than in previous year same period. EBIT margin was 2.8 percent. At first half of 2021 **net profit** was 1.5 MEUR (25.3 percent more comparing with the same period of 2020).

Key financial ratios of the Company:

	6 months of 2019	6 months of 2020	6 months of 2021
Return on equity (ROE), pct	-2.5	3.8	4.3
Return on assets (ROA), pct	-0.9	1.6	1.8
Return on Capital Employed (ROCE), pct	-1.2	2.4	3.1
Debt ratio	0.63	0.58	0.59
Deb/equity ratio	1.69	1.37	1.46
Quick liquidity ratio	0.78	0.73	0.70
Asset turnover ratio	0.65	0.73	0.77
Capital-to-assets ratio	0.37	0.42	0.41

Calculating Relative Indicators:

1. Return on equity (ROE) is the ratio of net profit to equity.
2. Return on assets (ROA) - the ratio of net profit to assets.
3. Return on Capital Employed (ROCE) – operating profit/ total assets – current assets
4. Debt ratio is the ratio of all company liabilities and assets.

5. Debt and equity ratio is the ratio of all liabilities and equity of the company.
6. Liquidity ratio is the ratio of current assets and current liabilities.
7. Asset turnover - the ratio of sales and assets.
8. Equity ratio – the ratio of equity and assets.

In 6 months of 2021, **assets totaled** 88.1 MEUR or 14.6 percent more than December 31 of 2020.

In 6 months of 2021, **long-term assets** increased by 10.6 percent comparing to December 31 of 2020 and totaled 61.1 MEUR.

In 6 months of 2021, **equity** was 35.8 MEUR, up by 2.4 percent from the previous year (in 2020, equity was 34,97 MEUR)

“Vilvi Group” production output, tonnes:

	6 months of 2019	6 months of 2020	6 months of 2021
Cheese, cheese products and other	50,823	56,029	49,312
Fresh milk products	7,745	7,009	7,208
Dry milk products	6,844	9,105	10,324

In 6 months of 2021 cheese and cheese product and other production 49.3 tho tonnes, down by 12.0 percent comparing to the same period last year. Production of fresh milk products 7.2 tho tonnes, up by 2.8 percent comparing to 6 months of 2020. Production of dry milk products 10.3 tho tonnes in 6 months of 2021 up by 13.4 percent comparing to the same period last year.

Basic indicators milk purchases by “Vilvi Group”:

	6 months of 2019	6 months of 2020	6 months of 2021
Basic indicators milk, tonnes	125,330	132,177	145,740
Cost of basic indicators milk, EUR tho	32,255	32,398	39,463
Milk price, EUR/t	257	245	271

In 6 months of 2021, a total of 146 tho tonnes of milk was purchased, and increase by 10.3 percent as compared with 6 months of 2020. The price of milk increased by 10.6 percent from the same period previous year.

11. Sales and marketing

Sales by product segment, EUR thousand:

	6 months of 2019	6 months of 2020	6 months of 2021
Cheese, cheese products and other	37,265	36,908	47,518
Fresh milk products	9,824	8,957	9,284
Dry milk products	6,492	9,919	11,033
Total revenue	53,581	55,784	67,835

Cheese, cheese products and other sales revenue in 2021 in the first half accounted for 70 percent of total sales. H1 2021 cheese, cheese products and other sold 28.7 percent more compared to 2020 the same period. This requires a recovering HoReCa sector, which has led to increased sales of cheese and cheese products, as well as increased demand for cream and the price. From 2021 April 1 Baltic Dairy Board SIA additionally generated 0.66 MEur consolidated sales revenue.

Income of **dry milk products** in H1 2021 increased by 11.2 percent. comparing 2020 during the same period, This requires not only increased production volumes, but also growing orders from existing and new customers from India, Italy, China and others.

Sales of **fresh milk products** in H1 2021 grew insignificantly (3.7%) compared to 2020 during the relevant period.

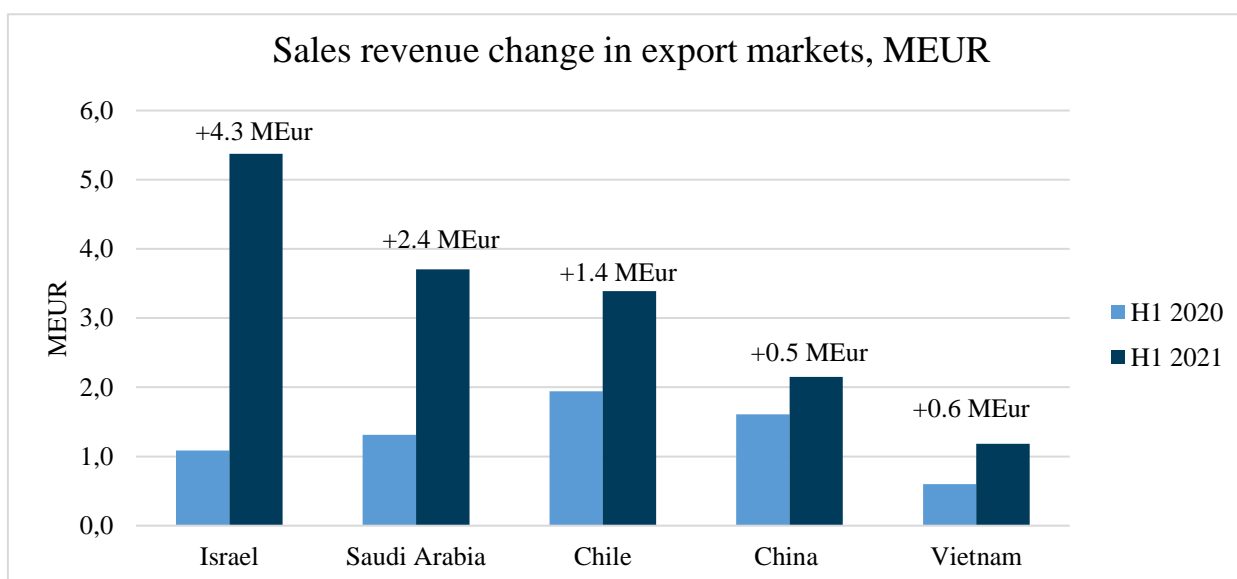
In H1 2021 exports amounted to 83% of total group sales. As in the previous years the largest part of export are sales of cheese, cheese products, cream and dry milk products.

“Vilvi Group” sales revenue by geographical segments, EUR thousand:

	6 months of 2019	6 months of 2020	6 months of 2021
European Union	27,227	30,581	31,288
Lithuania	11,776	9,931	11,333
Other countries	14,578	15,272	25,214
Total revenue	53,581	55,784	67,835

Vilvi Group sales revenue for the first half of 2021 grew by 14.1% in the Lithuanian market and by 23.2 % in export markets compared to 2020 the same period.

Sales in non-EU countries grew the most in export markets. As the Covid-19 pandemic focused heavily on the food services sector (HoReCa) and market diversification, so sales of cheeses and cheese products in Israel, Saudi Arabia, Chile and China, which started to grow at the end of 2020, increased even more in H1 2021.



12. Exhibitions and Awards

In February, Vilkyškių pieninė AB traditionally took part in the international exhibition of food industry “Gulfood 2021” in Dubai, The United Arab Emirates. The main focus was on mozzarella cheese and milk/whey powder.

13. Risk Factors Associated with Issuer’s Business

Key risks in the business of “Vilvi Group”:

The Group operates in the business of dairy processing. The main factors that may pose business risks for the Company are possible changes in the raw material and product markets, competition, as well as changes in the legal, political, technological and social environment that are directly or indirectly related to “Vilvi Group” business.

POLITICAL FACTORS	ECONOMIC FACTORS	SOCIAL FACTORS	TECHNOLOGICAL FACTORS
External risk			
Economic anomalies.	Negative demand and/or price changes in cheese, dry milk products and fresh milk products markets.	Social circumstances in the country, drop in the purchasing power of inhabitants.	High market supply milk products and high competition may provoke negative and risky technological factors.

Home country and other countries policies and disturbances.	Sale of goods risk arises either because of large or to small inventory levels of fresh milk products. In the first case it may be that goods will need to be sold with discount as they have shorter validity term. In another case if the orders are not met fines may be imposed.	Migration of young employees from regions to cities.	Raw material/food counterfeiting, intentional contamination.
Policies and demotion of milk consumption and perceived milk unhealthiness.	Unfair competition.	Emigration to more developed countries.	Relationships with suppliers. It is necessary to select trusted suppliers by performing their evaluation.
	Cyber attacks.		
Frequent change of laws and sanctions.	Diseases of humans and animals.	Aging and low-income society.	
	Natural cataclysms, ecological disasters and pandemics.		
Internal risk			
Cyber security requirements violation, browsing forbidden internet sites for personal needs.	Production theft.	Lack of personnel due to emigration.	Intentional or unintentional contamination, damage. Non-compliance to specifications of product production
	Negligent attitude towards duties.	Lack of high qualification employees.	Methods of production and products sensitivity.
	Fraud seeking financial gain.	Violation of hygiene requirements.	Violation of temperature requirements
	Downtime due to the pandemic.		Production of matured cheese is lengthy process that may take 1-3 month. This does not allow to quickly react to rapid changes in cheese market which in turn may affect cashflow and operating results.

In addition to the above risks, The Group companies are also at credit risks. The risk of breach of contract by business partners is subject to certain control procedures. In the end of 2019, for 2 years term, the Company obtained credit insurance for its overseas customers with the insurer *Euler Hermes*. The risk of each client is assessed individually.

Credit risk associated with cash in banks is limited, as the Company works only with Lithuania's largest banks (mainly AB SEB Bankas). On 30 June 2021, the Company's debt-to-assets ratio was 0.59. The balance of outstanding loans on 30 June 2021 was 25,857 tEUR. Repayment is performed under the established schedule, without any delays.

14. Competition

Vilkyškių pieninė AB estimates that it has a 14 percent share of the Lithuanian market as measured by quantity of processed milk, i.e. it is in fourth place behind competitors Rokiškio sūris AB, Pieno žvaigždės AB and Žemaitijos pienas AB.

On foreign markets, "Vilvi Group" has to compete against local manufacturers, who have the advantage of lower transportation costs. However, "Vilvi Group" compensates it by offering a range of higher value-added cheese products.

„Vilvi Group“ offers industrial products in dry milk product segment, which are oriented to exports. Company has developed its own brand GymOn of whey protein powder concentrate for athletes that is offered to end-consumer. This product is distributed to supermarkets, sports shops, pharmacies and sold via own internet shop www.gymon.lt. It is also sold via Amazon online platform to reach Western European consumers, it is offered in German, Spanish, Italian and French Amazon platforms.

15. Key Events After Fiscal Year-End

No significant events have occurred.

III. Other information about issuer

16. Structure of Issuer's Share Capital

“Vilvi Group” Share Capital:

Company name	Type of share	Number of share	Share face value, EUR	Total face value, EUR
Vilkyškių pieninė AB	Common registered shares	11,943,000	0.29	3,463,470
Kelmės pieninė AB	Common registered shares	2,457,070	0.29	712,550
“Modest” AB	Common registered shares	5,617,118	0.29	1,628,964
Pieno logistika AB	Common registered shares	371,333	0.29	107,687
“Kelmės pienas” UAB	Common registered shares	2,500	1.00	2,500
“Baltic Dairy Board“ SIA	Common registered shares	777,778	1.00	777,778

17. Information on Treasury Stock

The Company does not hold its own shares.

18. Rights of Shareholders

Shareholders have these non-proprietary rights:

- to attend and vote in general meetings of shareholders;
- to receive information about the Company as set out in Article 18 (1) of the Law on Public Companies;
- to lodge a claim in a court of law for compensation of damages caused to the Company through inaction or inappropriate actions of the Company's director, also in other cases set out by the law;
- other non-proprietary rights stipulated by legal acts.

Shareholders have the following proprietary rights:

- to receive a share of the Company's profit (dividend);
- to receive a share of the assets of the Company in liquidation;
- to be granted shares free of charge where the Company's share capital is increased from its own capital, save exceptions set out by the Law on Public Companies;
- to have priority to buy new shares and share options in the Company, except for cases where a general meeting of shareholder has legitimately voted to revoke this right for all;
- to transfer all or part of their shares to other persons, using a procedure set out in the Law on Public Companies;
- other proprietary rights granted by the law.

None of the Company's shareholders has any special control rights. The rights of all shareholders are equal. One common registered share grants one vote in a general meeting of shareholders.

19. Restrictions on Transfer of Securities

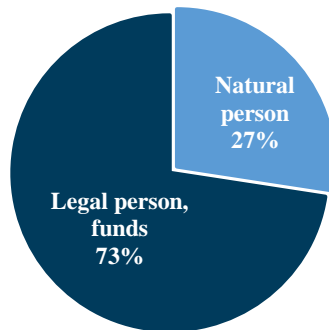
There are no restrictions on the transfer of securities.

20. Information about Shareholders

The total number of shareholders of Vilkyškių pieninė AB on 30 June 2021 was 1216. The following are the major shareholders, who own more than 5 percent of the Issuer's stock:

Shareholder	Number of shares held, units	Percent of share capital, pct	Share of votes at shareholder meetings, pct
Swisspartners Versicherung AG Zweigniederlassung Österreich	6,067,206	51%	51%
Multi Asset Selection Fund	2,035,729	17%	17%
Minority shareholders	3,840,065	32%	32%
Total stock	11,943,000	100%	100%

Vilkyškių pieninė AB shareholder structure by legal subject



Kelmės pieninė AB shareholders

Shareholder	Number of shares held, units	Percent of share capital, pct	Share of votes at shareholder meetings, pct
Vilkyškių pieninė AB	2,457,070	100%	100%
Total stock	2,457,070	100%	100%

“Kelmės pienas” UAB shareholders

Shareholder	Number of shares held, units	Percent of share capital, pct	Share of votes at shareholder meetings, pct
Kelmės pieninė AB	2,500	100%	100%
Total stock	2,500	100%	100%

“Modest” AB shareholders

Shareholder	Number of shares held, units	Percent of share capital, pct	Share of votes at shareholder meetings, pct
Vilkyškių pieninė AB	5,601,277	99.7%	99.7%
Minority shareholders	15,841	0.3%	0.3%
Total stock	5,617,118	100%	100%

“Pieno logistika” AB shareholders

Shareholder	Number of shares held, units	Percent of share capital, pct	Share of votes at shareholder meetings, pct
Vilkyškių pieninė AB	218,781	58.9%	58.9%
Minority shareholders	152,552	41.1%	41.1%
Total stock	371,333	100%	100%

“Baltic Dairy Board” SIA shareholders

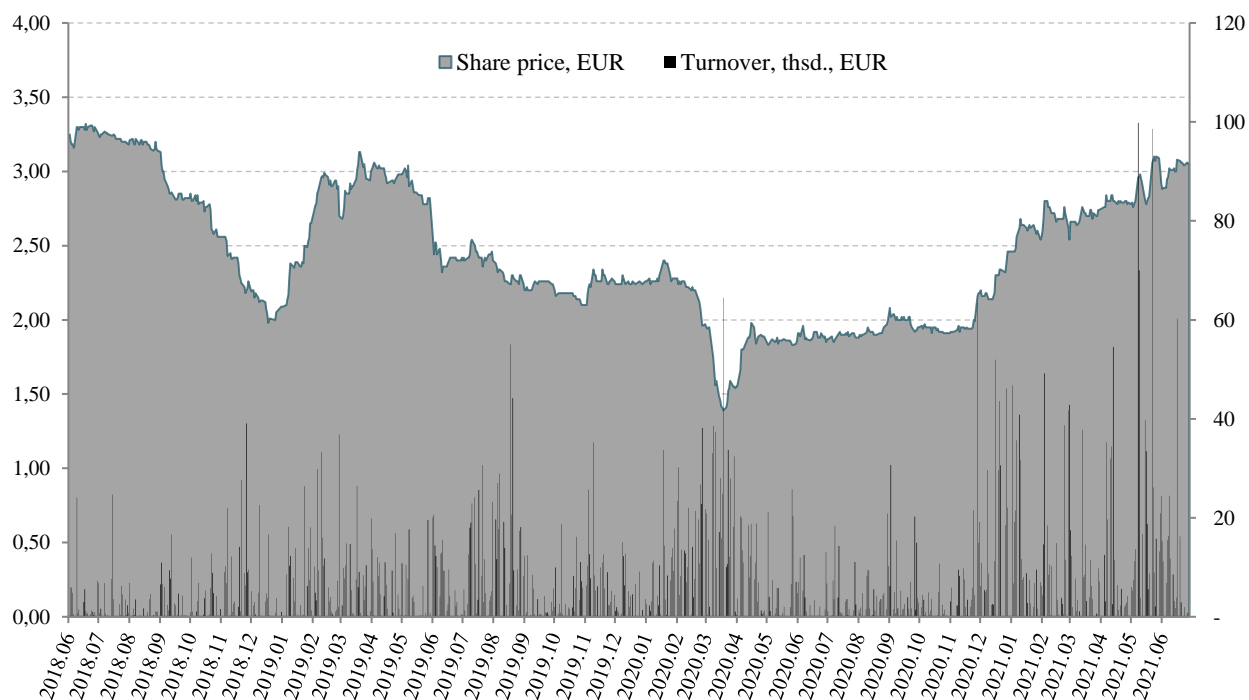
Shareholder	Number of shares held, units	Percent of share capital, pct	Share of votes at shareholder meetings, pct
AB Vilkyškių pieninė	544,446	70.0%	70.0%
KIK Asset Management SIA	233,332	30.0%	30.0%
Total stock	777,778	100%	100%

21. Agreements Between Shareholders, Known to Issuer, Which May Lead to Restrictions on Securities Transfers or Voting Rights

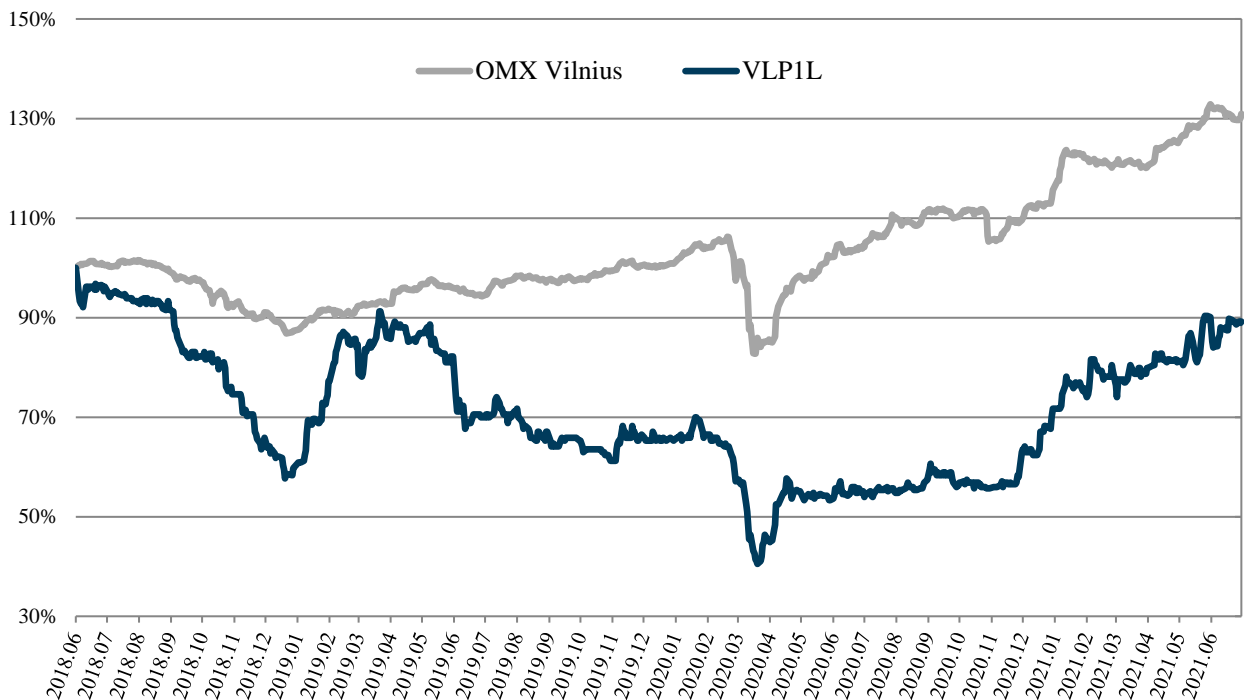
The Company is not aware of any direct agreements between shareholders that might result in restrictions on the transfer of securities and/or on voting rights.

22. Trading in Issuer’s Securities on Regulated Markets

The change of price of Vilkyškių pieninė AB shares and trade volume in June 2018 – June 2021.



Comparison of Vilkyškių pieninė AB share price and OMX Vilnius Index June 2018 – June 2021.



23. Dividend

Vilkyškių pieninė AB approved a dividend policy in 2012. The following is an extract from that dividend policy:

Dividend and amount of dividend

1. The Law on Public Companies of the Republic of Lithuania stipulates that the dividend constitutes a share of profit payable to a shareholder in proportion to the face value of the stock held by the shareholder.
2. The Company's shareholders cannot vote to pay a dividend at a general meeting of shareholders, if 1) the Company is insolvent 2) the distributed result for the fiscal year ended is negative 3) the Company's equity is smaller than the sum of its authorised capital and reserves, or in cases where it would become smaller following a dividend payout.
3. The Company's board shall submit to the General Meeting of Shareholders an amount of dividend based on the audited net profit result for the fiscal year ended.
4. If the Company has been profitable, the Company's board shall allocate a certain part of revenue for dividend as set out in Clause 2.6, reinvesting the rest of the revenue so as to increase the Company's capitalisation.
5. The Company shall pay dividend in cash.
6. The Company's board should establish the amount of dividend after taking into account the consolidated net profit of the Company for the year ended. The dividend amount must be not less than 25 percent of the consolidated net profit of the Company for the year ended, but not larger than the Company's annual consolidated net profit
7. The Company reserves the right to diverge from the criteria for the amount of dividend, provided it gives reasons for such divergence.

Vilkyškių pieninė AB dividend payments in the past 5 years:

Dividend	2017 (for 2016)	2018 (for 2017)	2019 (for 2018)	2020 (for 2019)	2021 (for 2020)
Dividend (EUR)	1,433,160	1,672,020	-	-	955,440
Dividend per share (EUR)	0.12	0.14	-	-	0.08
Number of shares	11,943,000	11,943,000	11,943,000	11,943,000	11,943,000

Kelmės pieninė AB dividend payments in the past 5 years:

Dividend	2017 (for 2016)	2018 (for 2017)	2019 (for 2018)	2020 (for 2019)	2021 (for 2020)
Dividend (EUR)	2,285,075	786,262	1,719,949	5,651,261	7,371,210
Dividend per share (EUR)	0.93	0.32	0.70	2.30	3.00
Number of shares	2,457,070	2,457,070	2,457,070	2,457,070	2,457,070

“Modest” AB and “Pieno logistika” AB did not pay any dividend in the last five years.

24. Employees

On 30th of June 2021 the number of employees working for the Group of Vilkyškių pieninė AB amounted to 860.

Employee category	Number of employees	Education				Average monthly salary (EUR)
		higher	vocational	secondary	secondary incomplete	
Managers	30	24	5	1	-	4,192
Specialists	313	120	85	100	8	1,396
Workers	517	14	159	298	46	956
	860	158	249	399	54	1,226

On 30th of June 2020 the number of employees working for the Group of Vilkyškių pieninė AB amounted to 820.

Employee category	Number of employees	Education				Average monthly salary (EUR)
		higher	vocational	secondary	secondary incomplete	
Managers	28	23	5	-	-	3,964
Specialists	300	107	85	100	8	1,261
Workers	492	13	152	284	43	874
	820	143	242	384	51	1,120

Employees work on the basis of labour contracts, while their rights and duties are set out in their job descriptions. Employees do not have any special rights or duties, and all work is organized in compliance with the Labour Code of the Republic of Lithuania.

25. Vilkyškių pieninė AB Group Governing Bodies

According to the Articles of Association of Vilkyškių pieninė AB, the Company’s governing bodies are the General Meeting of Shareholders, the Board and the Chief Executive Officer. No supervisory council is set up. The Board of the Company represents the shareholders and performs oversight and control functions. The decisions taken by the General Meeting of Shareholders, where they concern issues falling within the remit of the General Meeting of Shareholders as specified in the Articles of Association, are binding to all shareholders, the Board, the CEO and other employees of the Company.

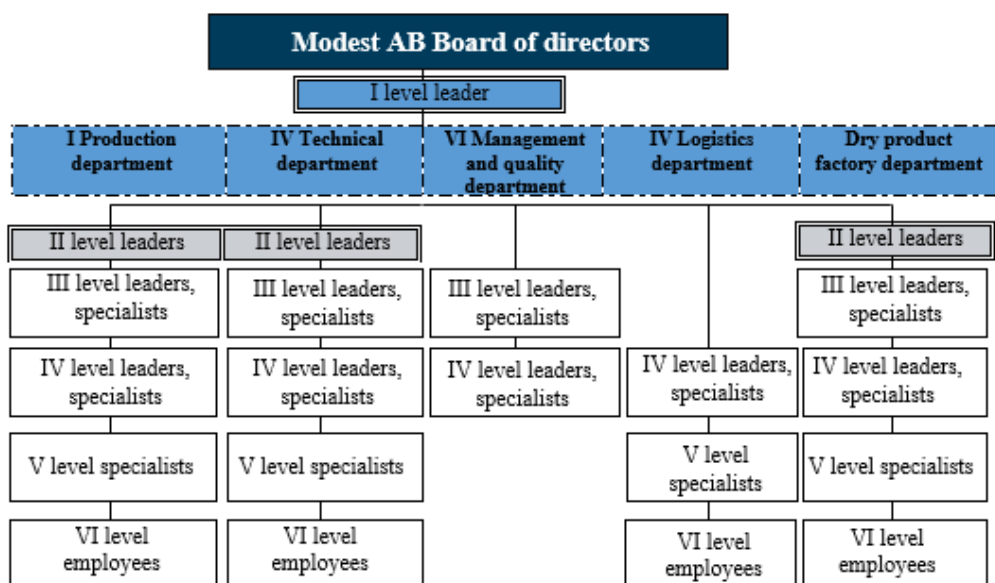
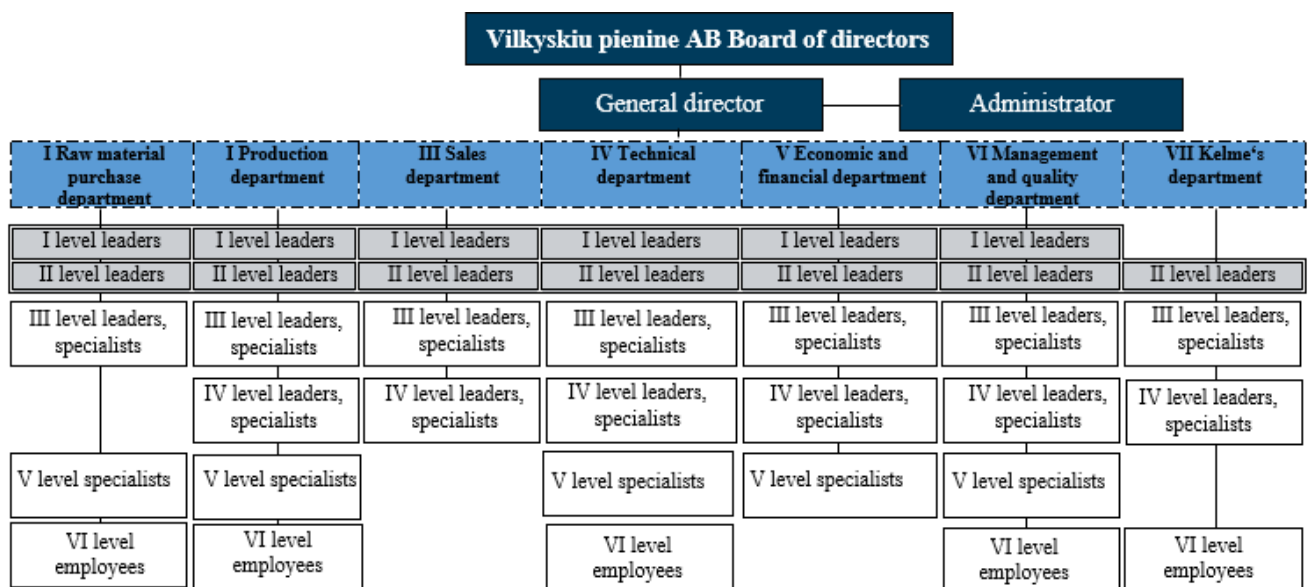
Board members are elected for a term of four years. The Chairman of the Board is elected for a tenure of four years by the Board from among its own members. Members of the Board are elected by a General Meeting of Shareholders in accordance with the Law on Public Companies.

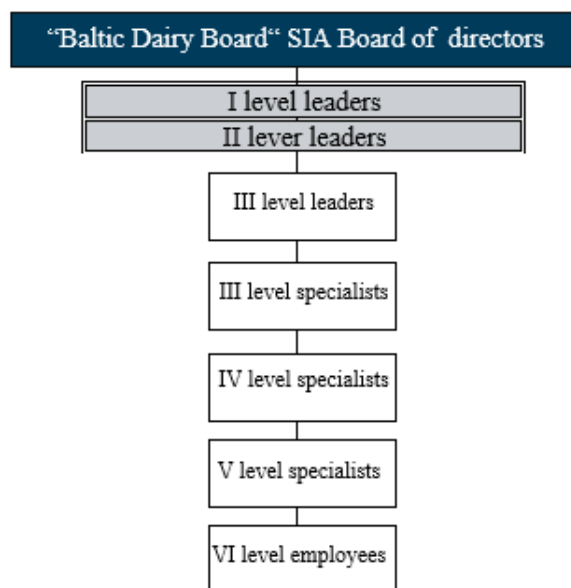
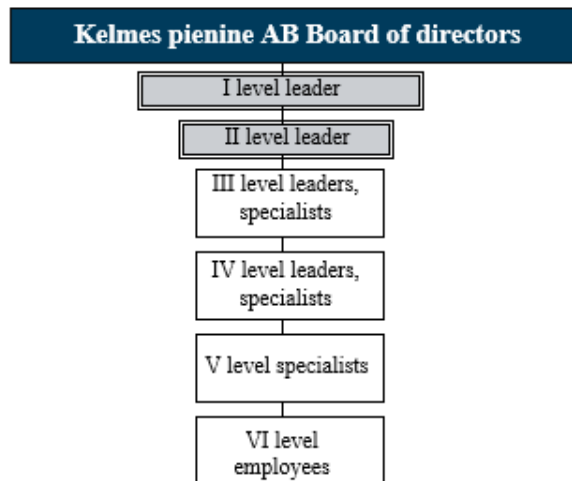
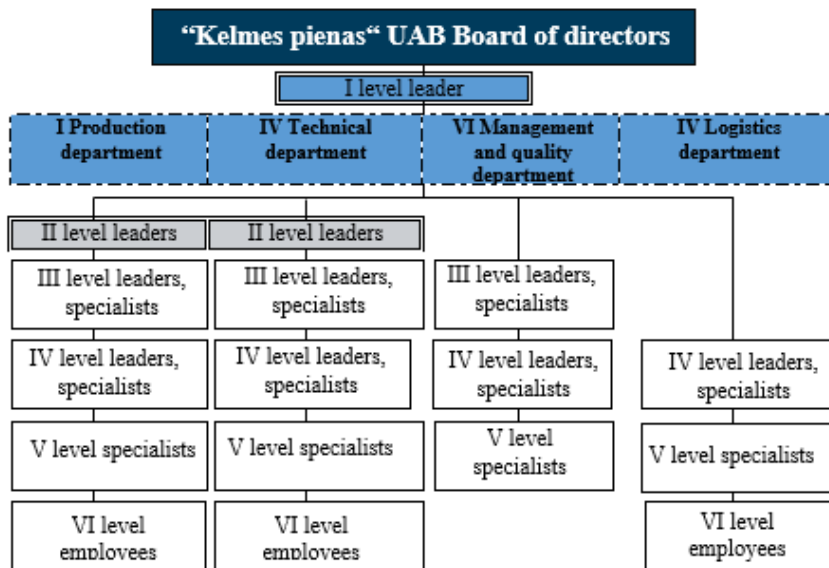
The Board sets up two committees – Audit Committee and Salaries Committee – each consisting of three members.

The Board elects and dismisses the Chief Executive Officer. The CEO is the head of the Company. The head of the Company is a single governing body in charge of organising the current business operations of the Company.

Under the Articles of association of Kelmės pieninė AB and “Modest” AB, both companies are governed by a general meeting of shareholders, the Board and CEO.

The structure of “Vilvi Group” management





One-person management body "Pieno logistika" AB – Director.

26. Procedure of Amendments to Company Articles

Amendments to the group's Articles of Association can be adopted at a General Meeting of Shareholders. Decisions on changes to the Articles are considered adopted, if approved by two-thirds of shareholder votes.

27. Activities of the Board

In the course of 6 months of 2021, a total of 6. Board meetings were held, with the required quorum present at each of them. The Board approved the 2020 annual financial statements and annual report; it called an ordinary meeting of shareholders and offered the distribution of the 2020 profit for an ordinary meeting of shareholders.

In regular meetings the Board discussed business development opportunities, granting/extension of loans and other current issues.

Kelmės pieninė AB, "Kelmės pienas" UAB, "Modest" AB and "Baltic Dairy Board" SIA hold their board meetings regularly to discuss issues within the remit of the board of directors.

28. Board & Administration Members

Vilkyškių pieninė AB Board Members

Gintaras Bertašius – a Board Chairman since 30 January 2006, re-elected for a four-year term on 27 April 2018, CEO of Vilkyškių pieninė AB. Has higher education diploma in mechanical engineering. Membership in other companies' governing bodies: board chairman of "Modest" AB, Kelmės pieninė and "Kelmės pienas" UAB; a member of the board of "Baltic Dairy Board" SIA. On 30 June 2021 he holds 927,110 shares of Vilkyškių pieninė AB, however he exercises the 58.56 percent voting rights in shareholder's meetings (since April 2018, ownership rights of 6 067 206 (this represents 50.8% of the of the stock and voting rights) shares of Vilkyškių pieninė AB have been taken by Swisspartners Versicherung AG Zweigniederlassung Österreich).

Sigitas Trijonis – a Board Member since 30 January 2006, re-elected for a four-year term on 27 April 2018, Chief Technology Officer of Vilkyškių pieninė AB. Has higher education degree in mechanical engineering. As of 30 June 2021, he holds 425,607 shares of Vilkyškių pieninė AB, 3.56 percent of the stock and voting rights. Has no seats in other companies' governing bodies.

Rimantas Jancevičius – a Board Member since 30 January 2006, re-elected for a four-year term on 27 April 2018. Has a college diploma as livestock engineer. Chief Purchasing Officer at Vilkyškių pieninė AB. As of 30 June 2021, he held 302,763 shares of Vilkyškių pieninė AB, 2.54 percent of the stock and voting rights. Has no seats in other companies' governing bodies.

Vilija Milaševičiūtė – a Board Member since 30 April 2009, re-elected for a four-year term on 27 April 2018. Has higher education in finance and credit. Chief Economics and Financial Officer of Vilkyškių pieninė AB. Membership in other companies' governing bodies: A board member of "Modest" AB, Kelmės pieninė AB, "Kelmės pienas" UAB and Šilumos tinklai UAB (CRN 179478621, address: Paberžių str. 16, 72324 Tauragė). As of 30 June 2021, she held 8,848 shares of Vilkyškių pieninė AB, 0.07 percent of the stock and voting rights

Linus Strėlis – a Board Member since 7 March 2008, re-elected for a four-year term on 27 April 2018. Has higher education. Membership in other companies' governing bodies: Director of LS Capital UAB (CRN 133118295, address: V. Kudirkos str. 9, Kaunas) and Biglis UAB (CRN 133688345, address: V. Kudirkos str. 9, LT-50283 Kaunas), council chairman of Association of Social Enterprises (Socialinių imonių asociacija) (CRN 300542018, address: Raudondvario pl. 107, Kaunas), board member of Umega AB (CRN 126334727, address: Metalo str. 5, LT-28216 Utena) and East West Agro AB (CRN 300588407, address: Tikslu str. 10, Kumpiai, LT-54311 Kauno r.), a member of the supervisory board in SIA Preses nams. A member of EISME fund committee of Lords LB Asset Management UAB (CRN 301849625, address: Jogailos str. 4, LT-01116 Vilnius.). As of 30 June 2021, did not have any shares in Vilkyškių pieninė AB.

Andrej Cyba – a Board Member since 7 March 2008, re-elected for a four-year term on 27 April 2018. Has higher degree in business administration and management. Membership in other companies' governing bodies: Business Development Manager of INVL Asset Management UAB (CRN 126263073, address: Gynėjų str. 14, LT-01109 Vilnius); chairman of the Board in FMĮ INVL Finasta UAB (CRN 304049332, address: Gynėjų str.

14, LT-01109 Vilnius) and “Baltic Dairy Board“ SIA; chairman of the supervisory Board at IPAS INVL Asset Management (CRN 40003605043, address: Smilšu iela 7-1, LV1050, Rīga) and AS Pirmais atklātais pensiju fonds (CRN 40003377918, address: Rīga, Smilšu iela 7-1, LV-1050); board member and Chairman of the Audit Committee of Auga Group AB (CRN 126264360, address: Konstitucijas pr. 21C, Quadrum North, LT-08130 Vilnius); CEO of PEF GP1 UAB (CRN 302582709, address: Maironio str. 11, Vilnius), PEF GP2 UAB (CRN 302582716, address: Maironio str. 11, Vilnius), Piola UAB (CRN 120974916, address: Mindaugo str. 16-52, LT-03225 Vilnius) and “Ymmalu” UAB (CRN 305765142, address: Šaltinių str. 24-10, LT-03233, Vilnius). As of 30 June 2021, did not have any shares in Vilkyškių pieninė AB.

Vilkyškių pieninė AB Members of Administration

Gintaras Bertašius – CEO and Chairman of the Board. Works at the Company since 1993. Has higher education diploma as mechanical engineer. Membership in other companies’ governing bodies: board chairman of “Modest” AB, “Kelmės pienas” UAB and Kelmės pieninė AB, a member of the board of “Baltic Dairy Board“ SIA. On 30 June 2021 he held 927,110 shares of Vilkyškių pieninė AB, however he exercises the 58.56 percent voting rights in shareholder’s meetings (since April 2018, ownership rights of 6 067 206 (this represents 50.8% of the of the stock and voting rights) shares of Vilkyškių pieninė AB have been taken by Swisspartners Versicherung AG Zweigniederlassung Österreich).

Vilija Milaševičiūtė – Chief Economics and Financial Officer, a Board Member, working at the Company since 2000. Has higher education in finance and credit. Membership in other companies’ governing bodies: a board member of “Modest” AB, Kelmės pieninė AB, “Kelmės pienas” UAB and Šilumos tinklai UAB (CRN 179478621, address: Paberžių str. 16, 72324 Tauragė). As of 30 June 2021, she held 8,848 shares of Vilkyškių pieninė AB, 0.07 percent of the stock and voting rights.

Vaidotas Juškys – Executive Officer, working at the Company since 2010. Has a higher education in IT. As of 30 June 2021, he held 12,279 shares of Vilkyškių pieninė AB, 0.10 percent of the stock and voting rights. Has no seats in other companies’ governing bodies.

Sigitas Trijonis – Chief Technology Officer, a Board Member, working at the Company since 1993. Has higher education in mechanical engineer. As of 30 June 2021, held 425,607 shares of Vilkyškių pieninė AB, 3.56 percent of the stock and voting rights. Has no seats in other companies’ governing bodies.

Rimantas Jancevičius – Chief Purchasing Officer, a Board Member, working at the Company since 1996. Has college diploma as livestock engineer. As of 30 June 2021, held 302,763 shares of Vilkyškių pieninė AB, 2.54 percent of the stock and voting rights. Has no seats in other companies’ governing bodies.

Arvydas Zaranka – Chief Production Officer, working at the Company since 1995. Has college degree in dairy technology. Membership in other companies’ governing bodies: a board member of “Modest” AB. As of 30 June 2021, held 1,933 shares of Vilkyškių pieninė AB, 0.02 percent of the stock and voting rights.

Rita Juodikienė – Management and quality director. Working at the company since 2002. Has a master degree in business management. Membership in other companies’ governing bodies: a board member of Kelmės pieninė AB and “Kelmės pienas” UAB. As of 30 June 2021, held 2,175 shares of Vilkyškių pieninė AB, 0.02 percent of the stock and voting rights.

Members of Kelmės pieninė AB board and administration

Gintaras Bertašius – Chairman of the Board, re-elected for a four-year term on 29 April 2020. Participation in the governing bodies of other companies: board chairman and CEO of Vilkyškių pieninė AB, “Modest” AB, and “Kelmės pienas” UAB, a member of the board of “Baltic Dairy Board“ SIA. Holds higher education degree in mechanical engineering. On 30 June 2021 he held 927,110 shares of Vilkyškių pieninė AB, however he exercises the 58.56 percent voting rights in shareholder’s meetings (since April 2018, ownership rights of 6 067 206 (this represents 50.8% of the of the stock and voting rights) shares of Vilkyškių pieninė AB have been taken by Swisspartners Versicherung AG Zweigniederlassung Österreich).

Vilija Milaševičiūtė – a member of the board, re-elected for a four-year term on 29 April 2020. Holds higher degree in finance and credit. Participation in the governing bodies of other companies: Chief Economics and Financial Officer and a board member of Vilkyškių pieninė AB, a board member of “Modest”, AB “Kelmės

pienas” UAB and Šilumos tinklai UAB (CRN 179478621, address: Paberžių str. 16, 72324 Tauragė). As 31 December 2020, held 8,848 shares in Vilkyškių pieninė AB, i.e., 0.07 percent of the stock and voting rights.

Rita Juodikienė – a member of the Board, re-elected for a four-year term on 29 April 2020. Has master degree in business management. Participation in the governing bodies of other companies: Quality and management director of Vilkyškių pieninė AB and a board member of “Kelmės pienas” UAB. As of 30 June 2021, held 2,175 shares of Vilkyškių pieninė AB, 0.02 percent of the stock and voting rights.

Jolita Valantinienė - CEO of Kelmės pieninė AB, working at the company since 2017. Has master degree in management and business administration. Participation in the governing bodies of other companies: CEO of “Kelmės pienas” UAB. As of 30 June 2021, did not have any shares in Vilkyškių pieninė AB.

Members of “Kelmės pienas” UAB board and administration

Gintaras Bertašius – Chairman of the Board. Participation in the governing bodies of other companies: board chairman and CEO of Vilkyškių pieninė AB, “Modest” AB and Kelmės pieninė AB, a member of the board of “Baltic Dairy Board“ SIA. Holds higher education degree in mechanical engineering. On 30 June 2021 he holds 927,110 shares of Vilkyškių pieninė AB, however he exercises the 58.56 percent voting rights in shareholder’s meetings (since April 2018, ownership rights of 6 067 206 (this represents 50.8% of the of the stock and voting rights) shares of Vilkyškių pieninė AB have been taken by Swisspartners Versicherung AG Zweigniederlassung Österreich).

Vilija Milaševičiūtė – a member of the board, re-elected for a four-year term on 29 April 2020. Holds higher degree in finance and credit. Participation in the governing bodies of other companies: Chief Economics and Financial Officer and a board member of Vilkyškių pieninė AB, a board member of “Modest” AB, Kelmės pieninė AB and Šilumos tinklai UAB (CRN 179478621, address: Paberžių str. 16, 72324 Tauragė). As 31 December 2020, held 8,848 shares in Vilkyškių pieninė AB, i.e., 0.07 percent of the stock and voting rights.

Rita Juodikienė – a member of the Board, re-elected for a four-year term on 29 April 2020. Has master degree in business management. Participation in the governing bodies of other companies: Quality and management director of Vilkyškių pieninė AB and a board member of Kelmės pieninė AB. As of 30 June 2021, held 2,175 shares of Vilkyškių pieninė AB, 0.02 percent of the stock and voting rights.

Jolita Valantinienė - CEO of “Kelmės pienas” UAB. Has master degree in management and business administration. Participation in the governing bodies of other companies: CEO of Kelmės pieninė AB. As of 30 June 2021, did not have any shares in Vilkyškių pieninė AB.

Members of “Modest” AB board and administration

Gintaras Bertašius – Chairman of the Board. Holds higher education degree in mechanical engineering. Participation in the governing bodies of other companies: board chairman and CEO of AB Vilkyškių pieninė AB, a board chairman at Kelmės pieninė AB and “Kelmės pienas” UAB, a member of the board of “Baltic Dairy Board“ SIA. On 30 June 2021 he holds 927,110 shares of Vilkyškių pieninė AB, however he exercises the 58.56 percent voting rights in shareholder’s meetings (since April 2018, ownership rights of 6 067 206 (this represents 50.8% of the of the stock and voting rights) shares of Vilkyškių pieninė AB have been taken by Swisspartners Versicherung AG Zweigniederlassung Österreich).

Arvydas Zaranka – a member of the board, re-elected for a four-year term on 5 April 2017. Participation in the governing bodies of other companies: Chief Production Officer of AB Vilkyškių pieninė. Has college degree in dairy technology. As of 30 June 2021, held 1,933 shares in Vilkyškių pieninė AB, i.e., 0.02 percent of share capital and voting rights.

Vilija Milaševičiūtė – a member of the board, re-elected for a four-year term on 5 April 2017. Participation in the governing bodies of other companies: Chief Economics and Financial Officer and board member in Vilkyškių pieninė AB, Kelmės pieninė AB, “Kelmės pienas” UAB and Šilumos tinklai UAB (CRN 179478621, address: Paberžių str. 16, 72324 Tauragė). Has higher education in finance and credit. As of 30 June 2021, held 8,848 shares in AB Vilkyškių pieninė, i.e., 0.07 percent of the stock and voting rights.

Matas Pozingis – CEO of “Modest” AB, working at the company since 2020. Has higher education degree in management and business administration. As of 30 June 2021, did not have any shares in Vilkyškių pieninė AB. Has no seats in other companies’ governing bodies.

“Baltic Dairy Board“ SIA board and administration

Andrej Cyba – Chairman of the Board. Has higher degree in business administration and management. Membership in other companies’ governing bodies: Business Development Manager of INVL Asset Management UAB (CRN 126263073, address: Gynėjų str. 14, LT-01109 Vilnius); chairman of the Board in FMĮ INVL Finasta UAB (CRN 304049332, address: Gynėjų str. 14, LT-01109 Vilnius); chairman of the supervisory Board at IPAS INVL Asset Management (CRN 40003605043, address: Smilšu iela 7-1, LV1050, Rīga) and AS Pirmais atklātais pensiju fonds (CRN 40003377918, address: Rīga, Smilšu iela 7-1, LV-1050); board member and Chairman of the Audit Committee of Auga Group AB (CRN 126264360, address: Konstitucijos pr. 21C, Quadrum North, LT-08130 Vilnius); CEO of PEF GP1 UAB (CRN 302582709, address: Maironio str. 11, Vilnius), PEF GP2 UAB (CRN 302582716, address: Maironio str. 11, Vilnius), Piola UAB (CRN 120974916, address: Mindaugo str. 16-52, LT-03225 Vilnius) and “Ymmalu” UAB (CRN 305765142, address: Šaltinių str. 24-10, LT-03233, Vilnius). As of 30 June 2021, did not have any shares in Vilkyškių pieninė AB.

Gintaras Bertašius – a member of the Board. Holds higher education degree in mechanical engineering. Participation in the governing bodies of other companies: board chairman and CEO of AB Vilkyškių pieninė AB, a board chairman at Kelmės pieninė AB, “Kelmės pienas” UAB, and “Modest” AB. On 30 June 2021 he holds 927,110 shares of Vilkyškių pieninė AB, however he exercises the 58.56 percent voting rights in shareholder’s meetings (since April 2018, ownership rights of 6 067 206 (this represents 50.8% of the of the stock and voting rights) shares of Vilkyškių pieninė AB have been taken by Swisspartners Versicherung AG Zweigniederlassung Österreich).

Kaspars Kazāks - CEO and member of the Board, chairs and represents the company since 2008. Participation in the governing bodies of other companies: board member in “KIK Asset Management“ SIA (CRN 43603083832, address: Mazā Salātu str. 4-7, Bauska, Latvia). As of 30 June 2021, did not have any shares in Vilkyškių pieninė AB.

Committees

Members of the Audit Committee: Aušra Lobinienė (The Head of Internal Audit of Tauragė Credit Union), Vilma Morkaitienė (chief accountant of Bonus Modus UAB) and Milana Buivydienė (Vilkyškių pieninė AB employee). None of the Committee members hold senior positions in the Company’s administration or have shares in the Company.

No committees are formed in subsidiary companies.

29. Agreements Enacted by Change of Control, Where Issuer is a Party

There are no agreements, to which the Issuer is a party, that would take effect if control of the Issuer changed

30. Information about Agreements Between the Issuer and its Governing Members or Employees on Compensation Payouts in Case of Their Resignation, Unfair Dismissal or Discharge Upon Change in the Control of the Issuer

The Board Rules of Procedure do not provide for any compensation or payouts if a member of the Board resigns before the Board’s term has expired. All employees are employed and dismissed in conformity with the provisions of the Lithuanian Labour Code.

31. Information About Detrimental Acts Concluded by the Issuer that Could Affect Issuer’s Operations

The Issuer has not concluded any detrimental transactions that had or could in the future have any negative impact on the Issuer’s operations or results. Nor has the Issuer concluded any transactions involving conflict of interest on behalf of the Issuer’s top management, major shareholders or other related parties.

IV. Information About Compliance to Management Code

Vilkyskiu Pienine AB essentially follows Corporate Governance Code for the Companies Listed on AB NASDAQ OMX Vilnius. There is no Supervisory Council in company. The governing bodies of the Company are the General Shareholder's Meeting, the Board and the General Manager. The Board consists of six members who are elected for the term of four years. Nomination and Remuneration Committee is established by the Management Board. The members of Audit Committee and the regulations of activity of the committee is approved by General Meeting of Shareholders. Each committee of the company is composed of three members.

V. Summary of significant events

On the 10th day of each month, sales figures for the preceding months are published.

The following decisions were taken at the Ordinary General Meeting of Shareholders of Vilkyškių pieninė AB which was held on the 30 April 2021:

Item 1 of the Agenda: Approval of Company's Consolidated annual report for the year 2020.

Resolution: The Consolidated annual report of the Company for the year 2020 has been approved.

Item 2 of the Agenda: Auditor's Report regarding the Company's consolidated and separated financial Statements for 2020.

Heard.

Item 3 of the Agenda: Approval of Company's separated and consolidated financial statement for the year 2020.

Resolution: Company's separated and consolidated financial statements for the year 2020 has been approved.

Item 4 of the Agenda: Net Profit (loss) appropriation for the year 2020.

Resolution: The audited net profit (loss) allocation under IAS has been approved for the year 2020 as follows:

	thousand EUR
1) Non-appropriated profit (loss) at the end of the year 2019	17,511
2) Approved by shareholders dividends of the year 2019	-
3) Transfers from the reserve to purchase own shares	-
4) Non-appropriated profit (loss) at the beginning of the current financial year after dividends payout and transfer from reserves	17,511
5) Net profit (loss) of the reporting period	1,371
6) Transfers from reserves	72
7) Net profit to be appropriated at the end of the current financial year	18,954
8) Total profit (loss) to be appropriated:	
-portion of the profit allocated to the legal reserve	-
-portion of the profit allocated for payment of the dividends	955
-portion of the profit allocated to the other reserves	-
9) Non-appropriated profit (loss) at the end of the current financial year carried forward to next financial year	17,999

0.08 Eur per one ordinary share.

Item 5 of the Agenda: Approval of supplemented Remuneration policy of Vilkyskiu pienine AB.

Resolution: Supplemented Remuneration policy of Vilkyskiu pienine AB has been approved.

Item 6 of the Agenda: Approval of the Remuneration Report of the Company for 2020 which is part of the Annual Report.

Resolution: The Remuneration Report of the Company for 2020 which is part of the Annual Report has been approved.