

The results of Q1 2018



VILKYŠKIŲ PIENINĖ AB
GROUP

SIGNIFICANT EVENTS DURING Q1 2018

- The most significant event during Q1 2018 - Vilkyškių pieninė AB Group was awarded “Lithuanian Export Prize 2017”. The Company was recognized as the most contributing to the growth of the economy and exports.
- In Lithuanian competition “Most Popular Product 2017” Vilkyškių pieninė AB was awarded in three dairy product categories. Vilkyškių curd spread with greenery in curd spread category, Vilkyškių strawberry drink yogurt 750 g in drink yogurt category and Memel Blue cheese 100 g in cheese with mould category. Experts confirmed that products marked with label “Most Popular Product 2017” are absolutely safe and high quality. The prizes are awarded to products that have the highest sales in supermarkets Maxima, IKI, RIMI and Norfa.
- The Company traditionally took part in the international exhibition of food industry Gulfood 2018 in Dubai, The United Arab Emirates.

- Vilkyškių pieninė AB introduced to market renewed product - “Vilkyškių” line curd in new packaging. “Vilkyškių” 500 g curd differentiates itself with very comfortable packaging. The packaging can be opened and closed multiple times therefore the product remains fresh longer even if it is not consumed from the first time. The new product will allow the Company to have better positions in curd category in local market.



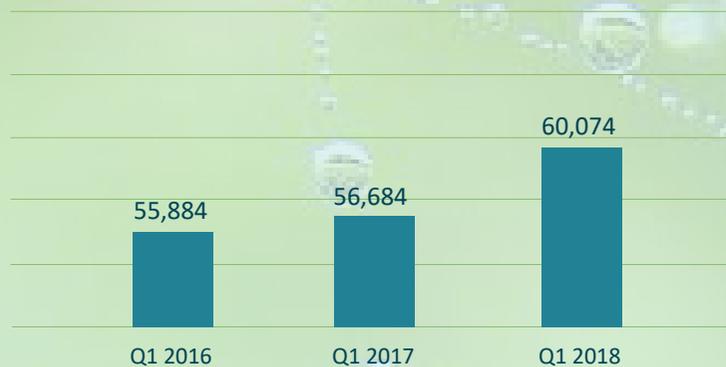
- GymON product line was complemented by 2 new products: 100% pure, highly soluble protein suitable for both sport and daily nutritional enrichment. This product will extend not only product consumption situations, target audiences, but also marketing channels. A new tropical flavor was added to the blue line (cocktails with flavors). According to 2018 tastes, this taste will be one of the most popular in both product updates and consumer choice.



MAIN FINANCIAL INDICATORS

(Thousands EUR)	Q1 2016	Q1 2017	Q1 2018
Revenue	16,714	27,818	20,975
EBITDA	14	1,964	1,278
EBITDA margin (%)	0.1%	7.1%	6.1%
Net profit (loss)	-565	1,042	124
Profit (loss) margin (%)	-3.4%	3.7%	0.6%
Quantity of purchased milk, t	55,884	56,684	60,074
Profit (loss) per share (EUR)	-0.05	0.09	0.01
Net financial debt	24,263	30,896	29,991

QUANTITY OF PURCHASED MILK, T



REVENUE (THOUSANDS EUR)



EBITDA (THOUSANDS EUR)

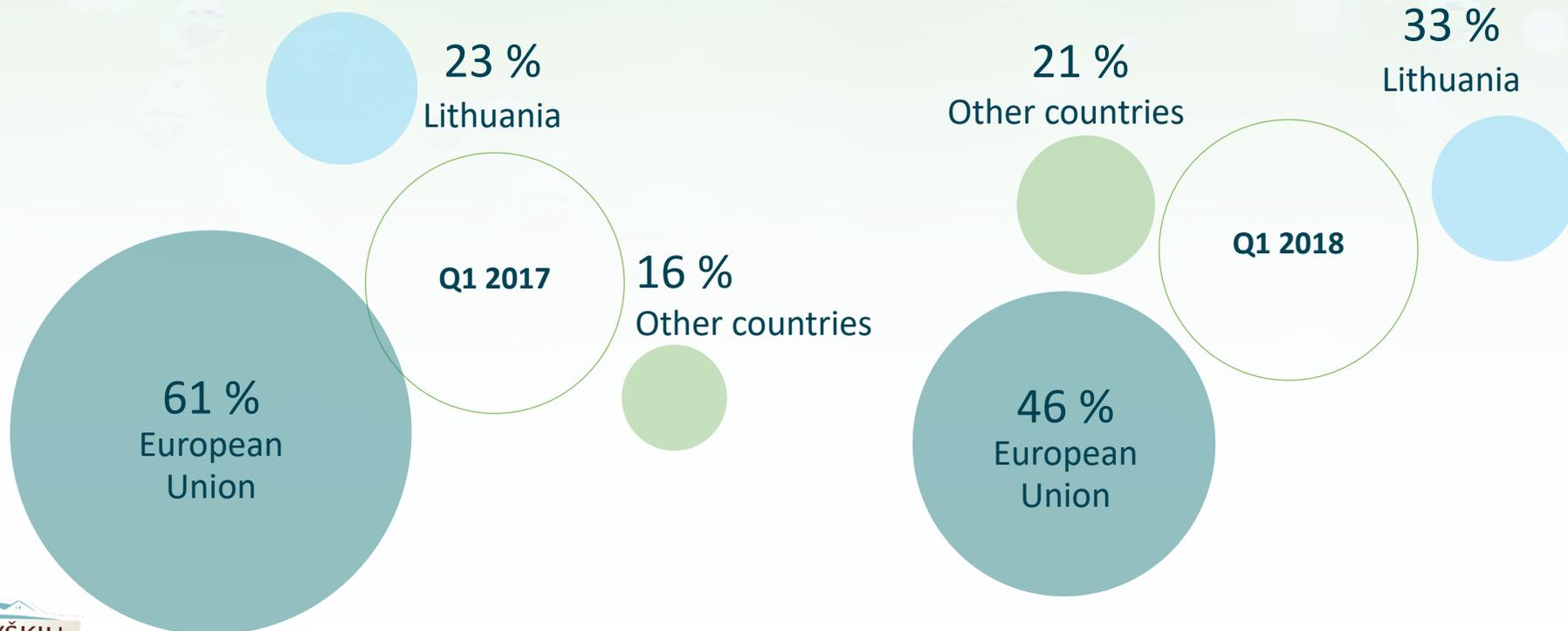


NET PROFIT (THOUSANDS EUR)



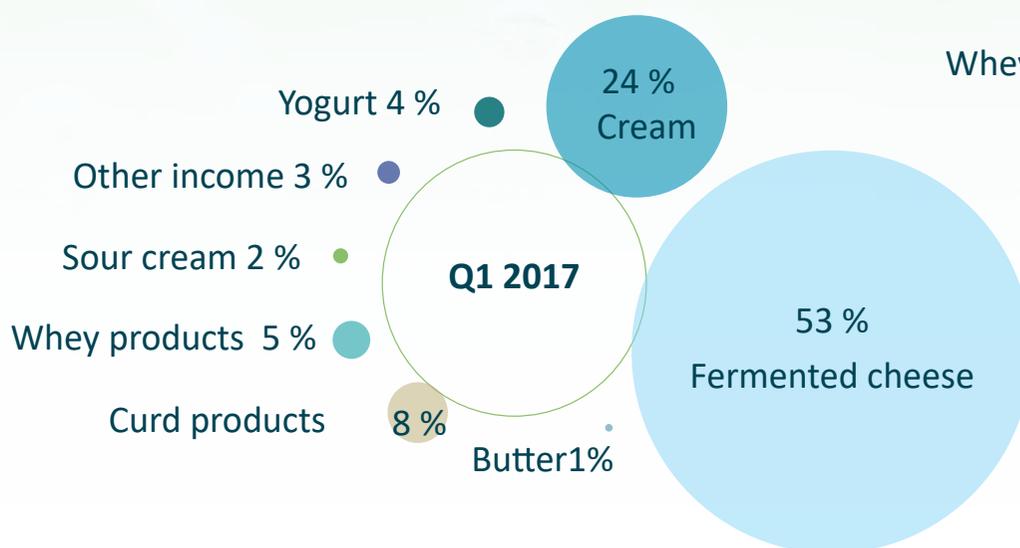
SALES REVENUE BY MARKETS

(Thousands EUR)	Q1 2017		Q1 2018	
Lithuania	6,299	23%	6,939	33%
European Union	16,933	61%	9,644	46%
Other countries	4,586	16%	4,392	21%
	27,818		20,975	



SALES REVENUE BY PRODUCTS

(Thousand EUR)	Q1 2017		Q1 2018	
Fermented cheese	14,813	53%	7,505	36%
Cream	6,637	24%	6,974	33%
Whey products	1,496	5%	660	3%
Sour cream	493	2%	435	2%
Curd products	2,053	8%	2,166	10%
Yogurt	1,046	4%	1,009	5%
Butter	372	1%	816	4%
Other income	908	3%	1,410	7%
Total income:	27,818		20,975	



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Thousand EUR	2018.03.31	2017.12.31
ASSETS		
Property, plant and equipment	53,936	54,447
Intangible assets	6,943	6,961
Long-term receivables	191	254
Non-current assets	61,070	61,662
Inventories	14,021	9,656
Trade and other receivables	7,853	8,491
Prepayments	676	1,005
Cash and cash equivalents	103	317
Current assets	22,653	19,469
Total assets	83,723	81,131
EQUITY		
Share capital	3,463	3,463
Share premium	3,301	3,301
Reserves	5,067	5,105
Retained earnings	22,527	22,367
Total equity attributable to the shareholders of the Company	34,358	34,236
Non-controlling interest	51	51
Total equity	34,409	34,287
LIABILITIES		
Interest-bearing loans and lease liabilities	19,224	20,123
Derivative financial instruments	-	-
Government grants	5,545	5,686
Deferred tax liabilities	1,486	1,528
Non-current liabilities	26,255	27,337
Interest-bearing loans and lease liabilities	10,767	7,974
Current tax liabilities	104	121
Derivative financial instruments	120	118
Trade and other payables, including derivatives	12,068	11,294
Current liabilities	23,059	19,507
Total liabilities	49,314	46,844
Total equity and liabilities	83,723	81,131

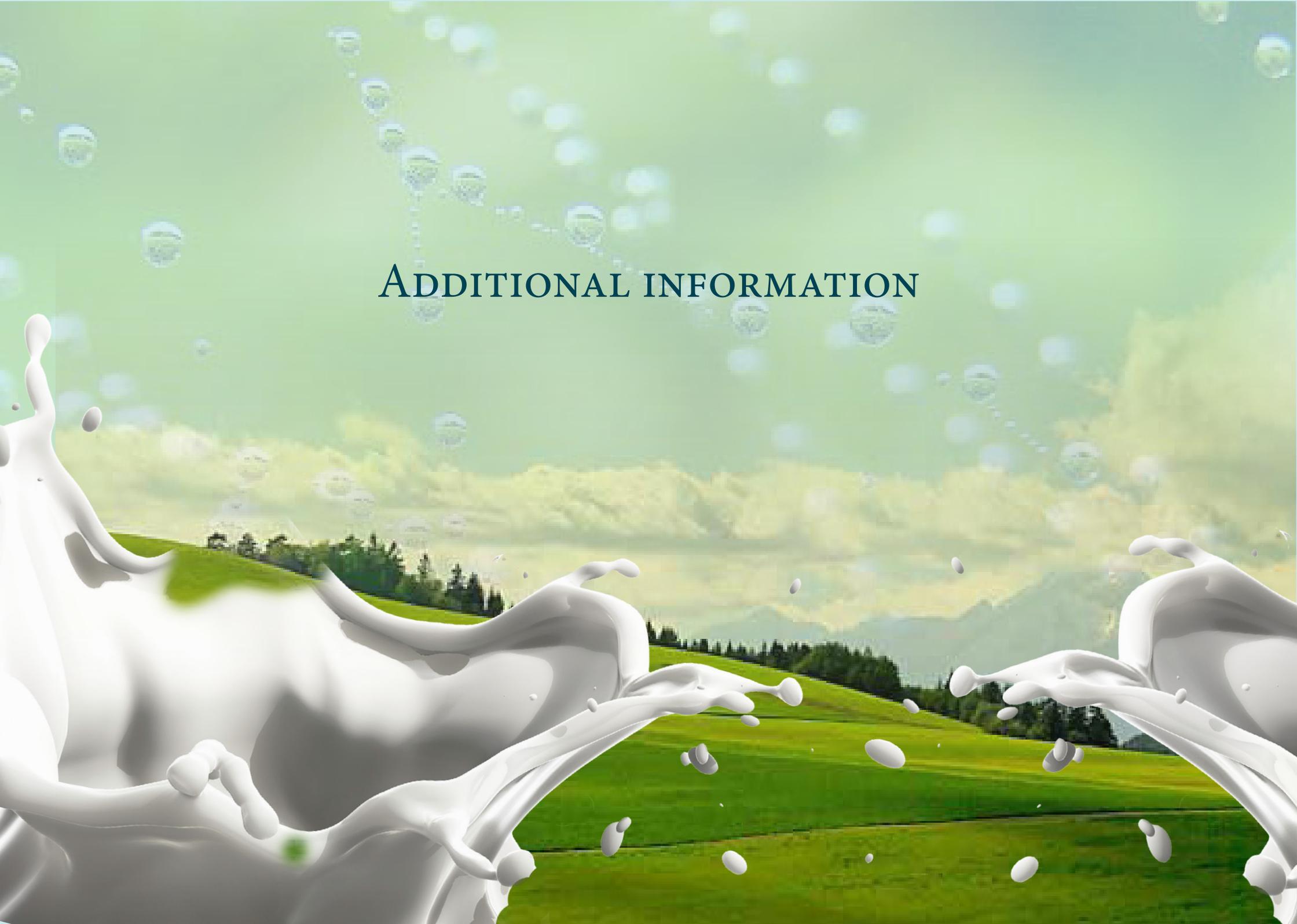
CONSOLIDATED INCOME STATEMENT

Thousand EUR	2018.01.01- 2018.03.31	2017.01.01- 2017.03.31
Revenue	20,975	27,818
Cost of sales	-19,195	-24,929
Gross profit	1,780	2,889
Other operating income	76	64
Distribution expenses	-1,050	-917
Administrative expenses	-479	-684
Other operating costs	-37	-61
Result from operating activities	290	1,291
Finance income	1	9
Finance costs	-209	-111
Net finance expenses	-208	-102
Profit before income tax	82	1,189
Income tax expense	42	-147
Profit for the period	124	1,042
Attributable to:		
Shareholders of the Group	124	1,042
Non-controlling interest	-	-
Net profit (loss) for the year	124	1,042
Basic earnings per share (EUR)	0.01	0.09

CONSOLIDATED STATEMENT OF CASH FLOWS

Thousand EUR	2018.01.01- 2018.03.31	2017.01.01- 2017.03.31
Cash flows from operating activities		
Profit for the year	124	1,042
Adjustments:		
Depreciation of property, plant and equipment	1,115	757
Amortization of intangible assets	20	21
Amortization and write down of grants	-147	-105
Profit (loss) from disposal of property, plant and equipment	12	10
Income tax expense	-42	147
Interest expenses, net	208	102
	1,290	1,974
Change in inventories		
Change in long-term receivables	-4,365	2,737
Change in trade and other receivables and prepayments	63	55
	951	-3,606
Change in trade and other payables	681	963
	-1,380	2,123
Paid interest	-126	-175
Paid profit tax	-20	-
Other financial expenses	-	-18
Net cash from operating activities	-1,526	1,930
Cash flows from investing activities		
Acquisition of plant and equipment	-92	-2,498
Acquisition of intangible assets	-2	-2
Proceeds from sale of plant and equipment	11	32
Acquisition of the subsidiary's shares	-	-
Government grants received	6	-
Loans repaid	-	-
Interest received	-	-
Net cash flows used in investing activities	-77	-2,468
Cash flows from financing activities		
Loans received	2,550	1,985
Repayment of borrowings	-1,161	-1,539
Dividends paid	-	-
Net cash flows from financing activities	1,389	446
Increase (decrease) in cash and cash equivalents	-214	-92
Cash and cash equivalents at 1 January	317	229
Cash and cash equivalents at 31 March	103	137

ADDITIONAL INFORMATION



ABOUT THE COMPANY

Vilkyškių pieninė AB was established in 1993

On the 31th of March 2018 the Group had 928 employees

The production of Dairy products is the core of Group business

Company's share capital amounts to 3.5 million Eur

The Company's issue is included in the Official List of AB NASDAQ OMX Vilnius.

The ISIN code of the securities: LT0000127508, Ticker symbol: VLP1L.

Standards: ISO 22000:2005 and FSSC 22000

COMPANIES OF THE GROUP

Vilkyškių pieninė AB

Parent Company
Established in 1993

The production of
cheese, cream, whey

“Modest” AB

The subsidiary
Company
Established in 1992

The production of
melted smoked
cheese, cheese with
mould, mozzarella,
other kinds of cheese

Kelmės pieninė AB

The subsidiary
Company
Established in 1993

The production
of fresh dairy
products

Since 2018 production
of dry products:
whey and milk
powder (in Taurage)

“Pieno logistika” AB

The subsidiary
Company
Established in 2013

Rental of buildings

SHORT HISTORY OF THE COMPANY

Vilkyškių pieninė AB became winner in competition
“Most popular product 2017”

2018

“Lithuanian Export Prize 2017” was presented to Vilkyškių pieninė AB

2017

The end of investment project for whey drying factory

Certificate of the standard FSSC 22000 was presented
to Vilkyškių pieninė AB

2016

Beginning of investment project for whey drying factory

Vilkyškių pieninė AB has been declared as
“The brand of the year”

2015

Vilkyškių pieninė AB has been declared as
“The brand of the year”

2013

Acquired “Pieno logistika” AB

„Vilvi“ brand was launched in Export markets

2011

Company began to participate in “Anuga” and “SIAL” exhibitions

Start of active marketing activity

2010

Certificates of the standards ISO 9001:2000 and
ISO 22000:2005 were presented to Vilkyškių pieninė AB

2008

Acquired Kelmės pieninė AB

Acquired “Modest” AB

2006

Vilkyškių pieninė AB became the listed company

Export license to EU was granted

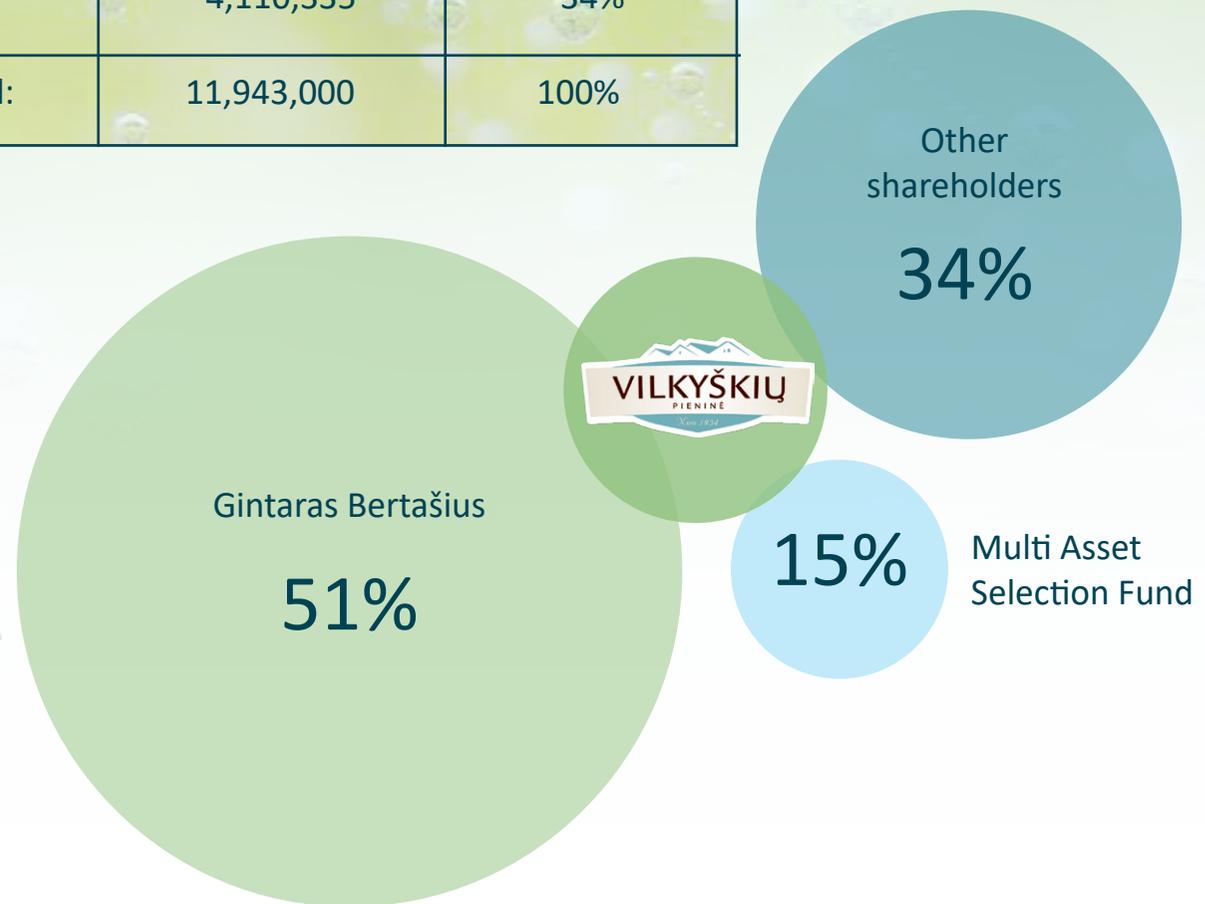
2000

Company established

1993

SHAREHOLDERS

Shareholder	Shares	Ownership interest
Gintaras Bertašius	6,067,206	51%
Multi Asset Selection Fund	1,765,459	15%
Other shareholders	4,110,335	34%
Capital in total:	11,943,000	100%



AB VILKYŠKIŲ PIENINĖ SHARE PRICE AND OMX VILNIUS INDEXES COMPARISON 2017 APRIL - 2018 MARCH





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