



**ŽEMAITIJOS PIENAS, AB
SET OF CONSOLIDATED
AND
SEPARATE UNAUDITED FINANCIAL STATEMENTS
FOR 1st HALF OF 2025**

CONTENTS

I.	STATEMENTS OF FINANCIAL POSITION -----	2
II.	STATEMENTS OF COMPREHENSIVE INCOME -----	3
III.	STATEMENTS OF CHANGES IN EQUITY-----	4
IV.	STATEMENTS OF CASH FLOW-----	5-6
V.	EXPLANATORY NOTES-----	7-19

I.STATEMENTS OF FINANCIAL POSITION

ASSETS	Notes	The Group		The Company	
		30-06-2025	31-12-2024	30-06-2025	31-12-2024
Fixed assets					
Intangible assets	4	190	218	185	218
Tangible assets	4	86.104	80.119	78.072	72.030
Investments for sale	5	2.160	2.237	2.143	2.219
Right-of-use-asset	6	642	894	642	894
Investments into subsidiaries		-	-	3.150	3.150
Loans granted, long receivables	8	1.702	1.307	1.702	1.307
Others fin., invest. assets		-	-	-	-
Deferred profit tax assets	7	987	1.163	1.238	1.414
Total amount of fixed assets		91.785	85.938	87.132	81.232
Current assets					
Stock	9	58.806	51.678	55.904	49.492
Advance payments		395	335	362	299
Receivables from the buyers	10	29.823	26.853	29.793	26.797
Other receivables	11	4.468	3.931	4.413	3.931
Cash and cash equivalents	12	21.001	31.992	19.073	26.294
Total amount of current assets		114.493	114.789	109.545	106.813
ASSETS IN TOTAL		206.278	200.727	196.677	188.045
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	13	12.104	12.104	12.104	12.104
Own shares (-)		(389)	(389)	(389)	(389)
Required reserve		1.403	1.403	1.403	1.403
Other reserves		10.200	10.200	10.200	10.200
Undistributed profit		130.123	120.666	120.986	111.243
Equity of the shareholders of the parent company		153.441	143.984	144.304	134.561
Minority interest		1.875	1.922	-	-
Equity in total		155.316	145.906	144.304	134.561
Long-term liabilities					
Support received		2.683	2.836	2.534	2.672
Loans	14	9.284	9.284	9.284	9.284
Liabilities arising from the financial lease	15	552	515	552	515
Liabilities arising from the deferred profit tax		-	-	-	-
Other long-term liabilities		6.871	6.870	6.661	6.661
Total amount of long-term liabilities		19.390	19.505	19.031	19.132
Short-term liabilities					
Loans	14	1.744	3.234	1.744	3.234
Liabilities arising from the financial lease	15	403	766	403	766
Trade debts	16	21.301	21.498	23.933	21.498
Payable profit tax		-	1.712	-	1.544
Other payable amounts	17	8.124	8.106	7.262	7.310
Total amount of short-term liabilities		31.572	35.316	33.342	34.352
Liabilities in total		50.962	54.821	52.373	53.484
EQUITY AND LIABILITIES IN TOTAL		206.278	200.727	196.677	188.045

II. STATEMENTS OF COMPREHENSIVE INCOME

The Group

		Jan-Jun 2025	Jan-Jun 2024
Sales	3	163.664	147.547
Cost of sales		(130.990)	(115.850)
GROSS PROFIT		32.674	31.697
Operating expenses		(20.694)	(19.954)
Other operating income and expenses		201	463
(LOSS) PROFIT FROM OPERATIONS		12.181	12.206
Finance costs		(76)	(316)
Other financial income and expenses		(1.311)	593
(LOSS) PROFIT BEFORE TAX		10.794	12.483
Income tax (benefit) expense		(1.903)	(627)
TOTAL INCOME FOR THE PERIOD		8.891	11.856
ATTRIBUTABLE TO:			
Equity holders of the Company		8.938	11.727
Minority interest		(47)	129
		8.891	11.856
Basic and diluted earnings per share (EUR)		0,21	0,29

The Company

		Jan-Jun 2025	Jan-Jun 2024
Sales	3	163.434	146.924
Cost of sales		(131.125)	(116.913)
GROSS PROFIT		32.309	30.011
Operating expenses		(20.054)	(19.401)
Other operating income and expenses		258	466
(LOSS) PROFIT FROM OPERATIONS		12.513	11.076
Finance costs		(76)	(316)
Other financial income and expenses		(1.310)	593
(LOSS) PROFIT BEFORE TAX		11.127	11.353
Income tax (benefit) expense		(1.903)	(627)
TOTAL INCOME FOR THE PERIOD		9.224	10.726
ATTRIBUTABLE TO:			
Equity holders of the Company		9.224	10.726
Minority interest		-	-
		9.224	10.726
Basic and diluted earnings per share (EUR)		0,22	0,26

III. STATEMENT OF CHANGES IN EQUITY

The Group	Share capital	Own shares (-)	Legal reserve	Reserves for own shares	Other reserves	Retained earnings	Equity	Minority interest	Total
Balance as of									
31 December 2023	12.104	(389)	1.403	10.000	200	98.841	122.159	1.585	123.744
Dividends	-	-	-	-	-	(2.077)	(2.077)	-	(2.077)
Acquisition of own shares	-	-	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	-	-	-	-	-
Reserves used	-	-	-	-	-	-	-	-	-
Net profit	-	-	-	-	-	11.727	11.727	129	11.856
Balance as of									
30 June 2024	12.104	(389)	1.403	10.000	200	108.491	131.809	1.714	133.523
Balance as of									
31 December 2024	12.104	(389)	1.403	10.000	200	120.666	143.984	1.922	145.906
Dividends	-	-	-	-	-	-	-	-	-
Acquisition of own shares	-	-	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	-	-	-	-	-
Reserves used	-	-	-	-	-	-	-	-	-
Unrecognized profit in the profit and loss statement	-	-	-	-	-	519	519	-	519
Net profit	-	-	-	-	-	8.938	8.938	(47)	8.891
Balance as of									
30 June 2025	12.104	(389)	1.403	10.000	200	130.123	153.441	1.875	155.316

The Company	Share capital	Own shares (-)	Legal reserve	Reserves for own shares	Other reserves	Retained earnings	Total
Balance as of							
31 December 2023	12.104	(389)	1.403	10.000	200	92.020	115.338
Dividends	-	-	-	-	-	(2.077)	(2.077)
Acquisition of own shares	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	-	-	-
Reserves used	-	-	-	-	-	-	-
Net profit	-	-	-	-	-	10.726	10.726
Balance as of							
30 June 2024	12.104	(389)	1.403	10.000	200	100.669	123.987
Balance as of							
31 December 2024	12.104	(389)	1.403	10.000	200	111.243	134.561
Dividends	-	-	-	-	-	-	-
Acquisition of own shares	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	-	-	-
Reserves used	-	-	-	-	-	-	-
Unrecognized profit in the profit and loss statement	-	-	-	-	-	519	519
Net profit	-	-	-	-	-	9.224	9.224
Balance as of							
30 June 2025	12.104	(389)	1.403	10.000	200	120.986	144.304

IV. CASH FLOW STATEMENTS

	Group		Company	
	Jan-Jun 2025	Jan-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Cash flow from operating activities				
Profit (loss) for the period	8.891	11.856	9.224	10.726
Adjustments:				
Depreciation and amortization	3.738	3.444	3.427	3.171
Amortization of grants received	(153)	(108)	(138)	(89)
Gain (loss) on disposal of non-current assets	(16)	(133)	(16)	(133)
Corporate income tax expenses	176	(69)	176	(69)
Impairment of accounts receivable	7	343	7	343
Impairment of property, plant and equipment	-	-	-	-
Impairment of inventories to net realizable value	(33)	(476)	(33)	(476)
Net financial expenses (income)	(1.826)	192	(1.826)	192
Elimination of non-cash items	519	-	519	-
Loss from liquidation of subsidiaries	-	-	-	-
Net cash flows from ordinary activities before changes in working capital	11.303	15.049	11.340	13.665
Changes in working capital:				
(Increase) decrease in inventories	(7.095)	4.378	(6.379)	3.647
(Increase) decrease in trade receivables	(2.977)	(4.329)	(3.003)	(4.306)
(Increase) decrease in prepayments	(59)	(641)	(64)	(643)
(Increase) decrease in other receivables	(906)	(1.027)	(853)	(1.027)
(Decrease) increase in trade payables	(197)	2.582	2.454	3.092
(Decrease) increase other accounts payable	(645)	(260)	(729)	(338)
Corporate income tax paid	(1.031)	(1.482)	(863)	(1.413)
Net cash flows from operating activities	(1.607)	14.270	1.903	12.677
Cash flows from (to) investing activities				
(Acquisition of intangible assets and property, plant and equipment.	(9.279)	(9.094)	(9.020)	(8.914)
Proceeds on sale of property, plant and equipment	31	283	32	283
Acquisition of subsidiaries	-	-	-	-
Acquisition of others investments	-	(3)	-	(3)
Repayment of loans granted	1.036	637	1.036	637
Loans granted	(1.061)	(674)	(1.061)	(674)
Interest received	361	318	361	318
Net cash flows (to) investing activities	(8.912)	(8.533)	(8.652)	(8.353)
Cash flows from (to) financing activities				
Dividends paid	(19)	(539)	(19)	(539)
Acquisition of own shares	-	-	-	-
Grants received (-)	-	(31)	-	-
Loans received (-)	-	4.381	-	4.381
Repayment of loans	(1.490)	(1.750)	(1.490)	(1.750)
Financial lease payments	(325)	(91)	(325)	(91)
Interest paid	(244)	(316)	(244)	(316)
Other financial (income) and expenses	1.606	(565)	1.606	(565)
Net cash flows from financial activities	(472)	1.089	(472)	1.120
Net increase (decrease) in cash and cash equivalents	(10.991)	6.826	(7.221)	5.444
Cash and cash equivalents at the beginning of the period	31.992	18.246	26.294	15.905
Cash and cash equivalents at the end of the period	21.001	25.072	19.073	21.349

V. EXPLANATORY NOTES

1. GENERAL INFORMATION

Žemaitijos pienas, AB (hereinafter referred to as the Company) is a public limited liability company registered in the Republic of Lithuania. Its registered office is situated at the address Sedos st. 35, Telšiai, Lithuania.

The Company produces dairy products and sells them on the Lithuanian and foreign markets. The Company has a number of wholesale units with warehouses and vehicles in the biggest cities of Lithuania. The Company commenced its operations in the year 1984.

In 30.06.2025 and 31.12.2024 the Company's share capital was in EUR 12,103,875. The Company's capital had divided into 41,737,500 ordinary registered shares with a nominal value of EUR 0.29 each.

All shares have been issued, subscribed and paid up.

As at 30 June 2024 and 30 June 2025, the subsidiaries held no shares in the Company.

The Company's shares are traded on the Baltic Additional List of the Vilnius Stock Exchange.

On 30 June 2025, the balance of own shares amounted to 222,020 units for EUR 389 thousand.

On 30 June 2025, the Group was composed of Žemaitijos pienas, AB and its subsidiaries (hereinafter - the Group):

Subsidiary	Registered office of the Company	Interest of the Group's shares	Consolidated interest	Investments (cost price) 30 June 2024	Net assets 30 June 2024	Main activities
Šilutės Rambynas, ABF	Klaipėdos st. 3, Šilutė, Lithuania	87.82 %	87.82 %	3.150	14.071	Production and sale of cheese

On 30 June 2025, the Company had 1.312 employees, and the Group had 1.480 employees (on 30 June 2025 – 1.282 employees in the Company and 1.443 employees in the Group).

2. ACCOUNTING PRINCIPLES

The consolidated interim financial statements for the six months' period ending 30 June 2025 are prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union, includes IAS 34. In all material respects, the same accounting principles have been followed as in the preparation of financial statements for 2024 year.

The presentation currency is euro. The financial statements are presented in thousands of euro, unless indicated otherwise. The financial statements are prepared under the historical cost convention.

Financial statements for the period ended 30 June 2025 are not audited. Financial statements for the year ended 31 December 2024 are audited by the external auditor Grant Thornton Baltic, UAB.

3. INFORMATION ABOUT THE SEGMENTS

For managerial purposes the activities of the Group and the Company are organized as a single main segment – the production and sale of dairy and cheese products (primary segment). Other products as addition (primary) segment consist of sales of milk, butter, milk whey, mineral water and other.

The Group	Sales, EUR thousand		Variation in % as comparing 01-06 2025 with 01-06 2024
	Jan-Jun 2025	Jan-Jun 2024	
Cheese and cheese products	68.066	62.779	8,42 %
Fresh dairy products	52.097	49.298	5,68 %
Other products	43.501	35.470	22,64 %
Total:	163.664	147.547	10,92%

The Group	Gross profit, EUR thousand		Variation in % as comparing 01-06 2025 with 01-06 2024
	Jan-Jun 2025	Jan-Jun 2024	
Cheese and cheese products	13.601	12.170	11,76 %
Fresh dairy products	14.916	14.811	0,7 %
Other products	4.157	4.716	(11,85) %
Total:	32.674	31.697	3,08%

The Company	Sales, EUR thousand		Variation in % as comparing 01-06 2025 with 01-06 2024
	Jan-Jun 2025	Jan-Jun 2024	
Cheese and cheese products	67.594	61.431	10,03%
Fresh dairy products	51.747	49.051	5,50%
Other products	44.093	36.442	20,99%
Total:	163.434	146.924	11,24%

The Company	Gross profit, EUR thousand		Variation in % as comparing 01-06 2025 with 01-06 2024
	Jan-Jun 2025	Jan-Jun 2024	
Cheese and cheese products	13.716	12.628	8,62%
Fresh dairy products	14.763	14.711	0,35%
Other products	3.830	2.672	43,34%
Total:	32.309	30.011	7,66 %

In the "Other products" segment, sales of cream, butter, and mineral water increased in January-June 2025, which was influenced by an increase in the selling prices of these products.

The sales of the Group and the Company according to the geographical segments (secondary segment) are provided hereunder:

The Group	Jan-Jun 2025	Jan-Jun 2024
Sales, thousands EUR		
Lithuania	76.591	74.003
EU countries	61.147	50.732
Other	25.926	22.812
In total	163.664	147.547

The Company	Jan-Jun 2025	Jan-Jun 2024
Sales, thousands EUR		
Lithuania	77.166	74.128
EU countries	60.658	50.290
Other	25.610	22.506
Total, EUR thousand:	163.434	146.924

4. INTANGIBLE AND TANGIBLE NON-CURRENT ASSETS

Changes in **intangible assets of the Group** as of 30 June 2025:

The Group	Acquired rights	Computer software	Licenses, patents	Total
Acquisition cost				
As of 31 December 2024	499	211	395	1.105
- acquisition	24	5	1	30
- adding value	-	-	-	-
- transfers between accounts	-	-	-	-
- sold or written-off assets	-	(3)	(67)	(70)
As of 30 June 2025	523	213	329	1.065
Accumulated depreciation				
As of 31 December 2024	386	156	345	887
- amortization	35	13	10	58
- transfers between accounts	-	-	-	-
- amortization of transferred and written-off assets	-	(3)	(67)	(70)
As of 30 June 2025	421	166	288	875
Net book value:				
As of 31 December 2024	113	55	50	218
As of 30 June 2025	102	47	41	190

Changes in **intangible assets of the Company** as of 30 June 2025:

The Company	Acquired rights	Computer software	Licenses, patents	Total
Acquisition cost				
As of 31 December 2024	499	190	395	1.084
-acquisition	24	-	1	25
- adding value	-	-	-	-
-transfers between accounts	-	-	-	-
-sold or written-off assets	-	-	(67)	(67)
As of 30 June 2025	523	190	329	1.042
Accumulated depreciation				
As of 31 December 2024	386	135	345	866
-amortization	35	13	10	58
transfers between accounts	-	-	-	-
-amortization of transferred and written-off assets	-	-	(67)	(67)

As of 30 June 2025	421	148	288	857
Net book value:				
As of 31 December 2024	113	55	50	218
As of 30 June 2025	102	42	41	185

In the period January-June 2025 amortization of non-current intangible assets of the Group and the Company amounts to EUR 58 thousand and EUR 58 thousand respectively.

Investments in the purchase of non-current intangible assets made by the Group and the Company in the period January - June 2025 amount to EUR 30 thousand and EUR 25 thousand respectively. As all the assets of the Group and the Company are located in Lithuania, all the investments were made in the Lithuanian geographic segment.

Changes in property, plant and equipment of the Group as of 30 June 2025

The Group	Land, buildings and constructions	Machinery and equipment	Vehicles	Other property, plant and equipment	Construction in progress and prepayments	Total
Acquisition cost						
As of 31 December 2024	28.641	103.833	13.488	5.618	21.245	172.825
-acquisition	127	1.849	364	143	6.703	9.186
-transfers to investing assets	-	-	-	-	-	-
-transfers from investing assets	-	-	-	-	-	-
-sold or written-off assets	-	(33)	(205)	(106)	-	(344)
-adding value	-	30	-	-	-	30
-reclassification	17.476	589	8	-	(18.073)	-
As of 30 June 2025	46.244	106.268	13.655	5.655	9.875	181.697
Accumulated depreciation						
As of 31 December 2024	12.169	66.856	9.643	4.038	-	92.706
-depreciation	317	2.358	354	187	-	3.216
-depreciation of written-off and sold assets	-	(32)	(191)	(106)	-	(329)
-transfers to investing assets	-	-	-	-	-	-
-transfers from investing assets	-	-	-	-	-	-
-reclassification/	-	-	-	-	-	-
As of 30 June 2025	12.486	69.182	9.806	4.119	-	95.593
Accumulated impairment losses						
As of 31 December 2024	-	-	-	-	-	-
-impairment losses	-	-	-	-	-	-
-reversal of impairment	-	-	-	-	-	-
As of 30 June 2025	-	-	-	-	-	-
Net book value:						
As of 31 December 2024	16.472	36.977	3.845	1.580	21.245	80.119
As of 30 June 2025	33.758	37.086	3.849	1.536	9.875	86.104

Changes in property, plant and equipment of the Company as of 30 June 2025:

The Company	Land, buildings and constructions	Machinery and equipment	Vehicles	Other property, plant and equipment	Construction in progress and prepayments	Total
Acquisition cost						
As of 31 December 2024	24.116	92.469	12.218	5.008	20.224	154.035
-acquisition	127	1.834	331	94	6.546	8.932

-sold or written-off assets	-	(22)	(205)	(99)	-	(326)
-adding value	-	30	-	-	-	30
-reclassification	17.476	444	8	1	(17.929)	-
-transfers to accounts investing assets	-	-	-	-	-	-
As of 30 June 2025	41.719	94.755	12.352	5.004	8.841	162.671
Accumulated depreciation						
As of 31 December 2024	10.176	59.779	8.433	3.617	-	82.005
-depreciation	285	2.105	350	165	-	2.905
-depreciation of written-off and sold assets	-	(21)	(191)	(99)	-	(311)
-reclassification	-	-	-	-	-	-
-transfers to investing assets	-	-	-	-	-	-
As of 30 June 2025	10.461	61.863	8.592	3.683	-	84.599
Accumulated impairment losses						
As of 31 December 2024	-	-	-	-	-	-
-impairment losses	-	-	-	-	-	-
-reversal of impairment	-	-	-	-	-	-
As of 30 June 2025	-	-	-	-	-	-
Net book value						
As of 31 December 2024	13.940	32.690	3.785	1.391	20.224	72.030
As of 30 June 2025	31.258	32.892	3.760	1.321	8.841	78.072

For the period ending at 30 June 2025 the depreciation costs of the Group's and the Company's property, plant and equipment amounts to EUR 3.216 thousand and EUR 2.905 thousand respectively.

Investments in the the acquiring of non-current tangible and intangible assets made by the Group and the Company in January-June 2025 amounted to EUR 9.216 thousand and EUR 8.962 thousand. All the acquisitions above relate to the geographic segment of Lithuania.

5. INVESTMENT PROPERTY

Changes in **the investment assets** as of 30 June 2025:

	The Group	The Company
Acquisition cost		
As of 31 December 2024	3.929	3.899
- acquisition	33	33
- sold or written-off assets	-	-
- transfers to long-term assets	-	-
- transfers from long-term assets	-	-
- reversal records	-	-
As of 30 June 2025	3.962	3.932
Accumulated depreciation		
As of 31 December 2024	1.692	1.680
- depreciation	110	110
- sold or written-off assets	-	-
- transfers to long-term assets	-	-
- transfers from long-term assets	-	-
- reversal records	-	(1)
As of 30 June 2025	1.802	1.789

Accumulated impairment losses	-	-
As of 31 December 2024		
-impairment losses	-	-
-reversal of impairment(-)	-	-
As of 30 June 2025	-	-
Net book value, thousands EUR:		
As of 31 December 2024	2.237	2.219
As of 30 June 2025	2.160	2.143

The fair value of investment assets approximates its book value.

The Group's and Company's depreciation of the investment assets in the period January-June 2025 amounted to EUR 110 thousand and EUR 110 thousand respectively.

The Company's investment assets in 2025 and 2024 represents rented assets to ABF Šilutės Rambynas and UAB Čia Market and other companies.

All rent contracts are easily cancellable with a few months prior notice made by the lessee or the lessor.

6. RIGHT-OF-USE-ASSET

As of 30 June 2025 the right-of use asset account to the following:

Group	Land, buildings and constructions	Movable property	Vehicles	Total
Acquisition cost				
As of 31 December 2024	2.570	236	-	2.806
-acquisition	-	-	-	-
-reclassification	-	-	-	-
-the end of the contract	-	-	-	-
Acquisition cost	2.570	236	-	2.806
As of 30 June 2025				
Accumulated depreciation				
As of 31 December 2024	1.570	138	-	1.708
-depreciation	315	39	-	354
-reclassification	-	-	-	-
-the end of the contract	-	-	-	-
Accumulated depreciation	1.885	177	-	2.062
As of 30 June 2025				
Impairment				
As of 31 December 2024	199	5	-	204
-impairment losses	-	-	-	-
-reversal of impairment (-)	(99)	(3)	-	(102)
Impairment	100	2	-	102
As of 30 June 2025				
Net book value, thousands EUR:				
As of 31 December 2024	801	93	-	894
As of 30 June 2025	585	57	-	642

Company	Land, buildings and constructions	Movable property	Vehicles	Total
Acquisition cost				
As of 31 December 2024	2.570	236	-	2.806
-acquisition	-	-	-	-
-reclassification	-	-	-	-

-the end of the contract	-	-	-	-
Acquisition cost	2.570	236	-	2.806
As of 30 June 2025				
Accumulated depreciation				
As of 31 December 2024	1.570	138	-	1.708
-depreciation	315	39	-	354
-reclassification	-	-	-	-
-the end of the contract	-	-	-	-
Accumulated depreciation	1.885	177	-	2.062
As of 30 June 2025				
Impairment				
As of 31 December 2024	199	5	-	204
-impairment losses	-	-	-	-
-reversal of impairment (-)	(99)	(3)	-	(102)
Impairment	100	2	-	102
As of 30 June 2025				
Net book value, thousands				
EUR:				
As of 31 December 2024	801	93	-	894
As of 30 June 2025	585	57	-	642

7. DEFERRED INCOME TAX ASSET

	The Group		The Company	
	2025 06 30	2024 12 31	2025 06 30	2024 12 31
Deferred income tax asset				
Accounts receivable	118	117	118	117
Inventories	260	265	201	206
Accrued vacation reserve	289	235	289	234
Other accrued expenses	1.265	1.491	1.213	1.440
Investment incentiv	-	-	-	-
Tax loss	-	-	-	-
Total deferred income tax asset, thousands EUR	1.932	2.108	1.821	1.997
Deferred income tax asset realization allowance	-	-	-	-
Deferred income tax asset (realization allowance)	1.932	2.108	1.821	1.997
Deferred income tax liability				
Difference in property, plant and equipment depreciation rates	(945)	(945)	(583)	(583)
Total deferred income tax liability, thousands EUR	(945)	(945)	(583)	(583)
Deferred income tax asset, net thousands EUR	987	1.163	1.238	1.414

8. LOANS GRANTED

The Group's and the Company's **granted loans** consisted of the following:

	The Group		The Company	
	30 06 2025	31 12 2024	30 06 2025	31 12 2024
Loans granted	2.411	2.387	2.411	2.387
in a number of loans to related parties	138	192	138	192

in number of loans to not related parties	83	-	83	-
-in a number of loans to farmers	1.907	1.905	1.907	1.905
in a number of loans to employees	283	290	283	290
Less: current portion of loans granted	(709)	(1.080)	(709)	(1.080)
Non- current loans granted, thousands EUR	1.702	1.307	1.702	1.307

All granted loans are in EUR. The repayment term is from 1 to 9 years. 24 company's employees had a loan balance as of 30/06/2025. The average annual loan interest rate: 3%.

Loans have been granted to the employees as a motivating tool based on the Regulations for Provision of Loans to employees. A limit of the fund intended for provision of loans to the employees makes up EUR 232 thousand. On all occasion loans are being granted to a borrower after he/she undertakes to secure repayment of a loan by pledging his/her or another person's real property assets or using other means of security of repayment of a loan acceptable to the company (a credit institution guarantee or other). Upon assessment of a possible risk, liquidity of real estate assets being pledged and etc. a value of the real estate assets being pledged makes up from 100% to 200% of an amount being borrowed. 72 farmers had a loan balance as of 30/06/2025. Loans in the amount of EUR 868,496 thousand had been granted to farmers within the period from 01/01/2025 to 30/06/2025. The average interest rate on loans granted: 1year EURIBOR + 3,50%. All long-term loans have been granted with collateral (land have been pledged at market prices).

As of 30/06/2025 the associated company owed EUR 138 thousand to Klaipėdos pienas, AB. The loan has been granted with a variable/floating annual interest rate; a loan repayment period – the year 2029; the shares of Žemaitijos pienas, AB were pledged.

9. STOCK

The Group's and the Company's **stock** consisted of the following:

	The Group		The Company	
	30 06 2025	31 12 2024	30 06 2025	31 12 2024
Raw materials	6.973	6.794	5.529	5.998
Finished goods and work in process	52.902	46.143	51.072	44.381
Goods for resale	556	399	556	399
	60.431	53.336	57.157	50.778
Less: write off to net realizable value	(1.625)	(1.658)	(1.253)	(1.286)
Total, thousands EUR:	58.806	51.678	55.904	49.492

10. RECEIVABLES FROM THE BUYERS

Receivables of the Group and the Company from the buyers consisted of the following:

	The Group		The Company	
	30 06 2025	31 12 2024	30 06 2025	31 12 2024
Trade accounts receivable	26.671	24.189	26.642	24.154
Accounts receivable from related parties	3.235	2.740	3.234	2.719
	29.906	26.929	29.876	26.873
Impairment allowance for bad debts of not related parties	-	-	-	-
Impairment allowance for bad debts of related parties	(83)	(76)	(83)	(76)
Net trade receivables, thousands EUR:	29.823	26.853	29.793	26.797

Changes in the impairment of doubtful receivables from the buyers are included in the profit (loss) statement as operating expenses.

Receivables from the buyers are free of interest and their term is usually from 30 to 90 days. The accounts receivable from the customer are recognized as impairment allowance for bad debts and are accounted in operating expense in the total income statement.

11. OTHER RECEIVABLES

Other receivables of the Group and the Company consisted of the following:

	The Group		The Company	
	30 06 2025	31 12 2024	30 06 2025	31 12 2024
Income tax receivables	-	-	-	-
Current portion of long-term loans granted	709	1.080	709	1.080
VAT receivable	3.083	2.302	3.083	2.302
Other receivables	1.328	1.201	1.273	1.201
Total:	5.120	4.583	5.065	4.583
Impairment allowance for bad other debts*	(652)	(652)	(652)	(652)
In total, thousands EUR	4.468	3.931	4.413	3.931

*652 EUR thousand - ADT Sp. Z. o. o. debt with interest – in 2023 from customers' debts to other receivables. See more 27.2 in 2024 financial reporting.

12. CASH AND CASH EQUIVALENTS

The Group's and the Company's cash and cash equivalents consisted of the following:

	The Group		The Company	
	30 06 2025	31 12 2024	30 06 2025	31 12 2024
Cash at bank	20.723	31.690	18.795	25.992
Cash on hand	26	50	26	50
Guarantees	252	252	252	252
Total, thousands EUR	21.001	31.992	19.073	26.294

13. EQUITY

As at 30 June 2025 and 31 December 2024 the authorised capital consisted of 41,737,500 ordinary registered shares with a par value of EUR 0.29 each. The value of the authorised capital is EUR 12,103,875.

In 2025 June 30 and in 2024 December 31 all the shares were fully paid.

During 2024 and the first half of 2025, the Company did not acquire its own shares.

The required reserve is mandatory under legal acts of the Republic of Lithuania. It is necessary to transfer not less than 5 percent of the net profit each year until the reserve reaches 10 percent of the share capital. The Company's required reserve was fully formed. The required reserve may not be distributed to the shareholders.

Other reserves are formed according to the decision of the annual meeting of shareholders to distribute the profit and the Company's articles of association. These reserves can only be used for the purposes determined by the general meeting of shareholders. Following the valid Law on Companies, the Company's reserves other than required reserves must be restored to the distributable profit and redistributed if they have not been used or they are not planned to be used.

14. LOANS RECEIVED

The loans of the Company and the Group as at 30st June 2025 (thousands EUR):

Creditor	Date of agreement	Loan maturity date	Currency	2025 06 30	2024 12 31
AB SEB bank – I-7,5	2018-06-11/2022-06	2027-05-23	EUR	3.000	3.750

AB SEB bank – III-12,135	2018-06-11/2023-06	2028-06-07	EUR	8.027	8.767
AB SEB bank – overdraft-12	2018-06-11/2024-06	2026-06-30	EUR	-	-
Total, thousands EUR				11.027	12.517

Pursuant to the additional amendments to the credit agreement signed between SEB bankas and the Company on 11 June 2018, the Company was granted a credit facility of EUR 7,5 million (Business Credit I) in June 2022. The purpose of the credit is to refinance investments of AB Žemaitijos pienas and ABF Šilutės Rambynas. In the first half of 2025, EUR 0,75 million of this credit was repaid.

In June 2023, SEB bankas signed an agreement with the Company for the provision of a EUR 12,135 million credit facility (Business Credit III), in accordance with the additional amendments to this credit agreement. The additional security for this contract is the construction of a wind farm with all its appurtenances and equipment. As at 31 December 2023, the Company had already drawn down EUR 3,724 million under this credit facility, and during 2024 SEB bankas has made an additional EUR 5,043 million available under this agreement. During the first half of 2025, the Company repaid EUR 0,740 million of this credit.

On 25 June 2024, an additional agreement was signed between SEB bankas and the Company to reduce the Account overdraft limit I of EUR 18 million granted in August 2022 to a total amount of EUR 12 million and to extend the last repayment date of the limit until 30 June 2026. The security for the performance of the obligations under the credit agreement: the Company's current account with AB SEB bankas and the immovable and movable property located at Klaipėdos st. 3, Šilutė.

In addition to the credit agreement, the Company signed a financial ratios and other commitments agreement with AB SEB bankas. The financial indicators and non-financial commitments set out in the contract are met.

During January-June 2025 EUR 1.490 thousand was repaid in accordance with the obligations of the credit agreement dated 11-06-2018.

On 30 June 2025, the balance of loans of the Group and the Company amounted to EUR 11.027 thousand.

15. LIABILITIES UNDER THE FINANCIAL LEASE CONTRACT

As at 30 June 2025, finance lease liabilities of the Group and the Company included liabilities from lease contracts concluded with the leasing companies and liabilities for the right-of-use asset.

The Group	30 06 2025	31 12 2024
Within one year	403	766
In the second to fifth years	552	515
Total: liabilities arising from financial lease	955	1.281
The Company	30 06 2025	31 12 2024
Within one year	403	766
In the second to fifth years	552	515
Total: liabilities arising from financial lease	955	1.281

16. PAYABLE AMOUNTS

Here are the terms of financial liabilities:

Trade debts are free from interest and are usually repaid within a period of 30 days.

Payable interest is usually paid on a monthly basis over the entire financial year.

	The Group		The Company	
	30 06 2025	31 12 2024	30 06 2025	31 12 2024
Payables to suppliers	19.830	19.686	18.699	18.706
Payables to related parties	461	845	4.248	1.849

Prepayments	1.010	967	986	943
Total, thousands EUR	21.301	21.498	23.933	21.498

17. OTHER PAYABLE AMOUNTS

Other payable amounts consisted of the following:

	The Group		The Company	
	30 06 2025	31 12 2024	30 06 2025	31 12 2024
Vacation reserve	2.034	1.693	1.804	1.464
Bonuses for employees	-	-	-	-
Wages and salaries payable	1.957	1.783	1.715	1.588
Social security payable	838	1.264	732	1.139
Dividends payable	839	858	839	858
Payables based on defined obligations to employees	1.033	1.033	925	925
Accrued expenses	499	500	499	500
Taxes payable, other than income tax	813	920	728	817
Other short-term liabilities	111	55	20	19
Total, thousands EUR:	8.124	8.106	7.262	7.310

Outstanding balances at the end are unsecured and interest free for them.

Other payable amounts are free from interest and have approximately a repayment term of one month.

18. RELATED PARTY TRANSACTIONS

Related parties of the Group and the Company are:

- the parties that control, are controlled by or are under common control with the Company;
- the parties that can have material impact on the activities of the Company;
- the parties that are management members of the Company or its parent company;
- the companies that are under control or material impact of the aforesaid persons.

The main related parties of the Group and the Company are:

Item No.	Company Name	Company Details	Nature of Main Activities
1.	Šilutės Rambynas, ABF	Company code: 277141670; address: Klaipėdos g. 3, Šilutė, LT-99115	Dairy activities and cheese making
2.	Žemaitijos pieno investicija, AB	Company code: 300041701; address: Sedos g. 35, Telšiai, LT-87101	Renting and operating own and rented real estate
3.	Klaipėdos pienas, AB	Company code: 240026930; address: Šilutės pl. 33, Klaipėda, LT-91107	Ice-cream production
4.	Čia Market, UAB	Company code: 141354683, address: Sedos g. 35A, Telšiai LT-87101	Retail trade in non-specialized stores.
5.	Muižas piens, SIA	Company code: 40003786632, address: Bauskas iela 58a-8, 5stavs room 507, Riga, LV-1004, Latvia	Wholesale trade in food products, marketing
6.	Samogitija, UAB	Company code: 302501454, address: Narutavičių g. 4, Telšiai, LT-87101	Production, transportation, storage, distribution, etc. of dairy and other food products.
7.	Dziugas USA L.L.C.	Company code: 0400754292, address: Five greentree centre, ste. 104, 525 Route 73 North Marlon, NJ08053, USA	Wholesale import, marketing of dairy products
8.	Dziugas Eesti OU	Company code: 14324189, address: Punane 56, Tallinn, Estonia	Wholesale import, sales and marketing of dairy products
9.	Dziugas Poland Spolk	Company code: 368496450, address: ul. Luki Wielke 5, Warsaw, Poland	Activities of agents trading in food and beverages

10.	Baltic Holding, UAB	Company code: 302688114, address: Įgulos g. 18B -4, Klaipėda	IT services
11.	Nepriklausoma tyrimų laboratorija, UAB	Company code: 110824551, address: Narutavičių g. 4, Telšiai	Laboratory and other tests of materials and analysis services
12.	Dziugas Deutschland GmbH	Company code HRB 154342, adress: Neuer Wall 41, 20354 Hamburg, Deutschland	Marketing and product sales
13.	Dziugas Hungary Kft	Company code 01-09-325932, adress 1064 Budapest, Podmaniczky u. 57.2 emelet 14, Hungary	Wholesale import, sales and marketing of dairy products
14.	Dziugas UK Ltd	Company code: 11405400; address: 124 City Road, London EC1V, United Kingdom	Activities of agents trading in food and beverages
15.	Danutė Pažemeckienė	Virvytės 36, Telšiai	Rent of premises
16.	Monika Jasiulionienė	Beržų g. 2-52, Telšiai	Loan granted

Purchase/sale of milk, acquisition/sale of fixed assets and inventories, purchase/sale of services and other transactions between related parties are carried out under normal/customary market conditions.

Sales to and purchases from related parties (EUR thousand):

	The Group		The Company	
	Jan-Jun 2025	Jan-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
1) Sales				
Sales of goods				
To the Group				
Šilutės Rambynas ABF	-	-	642	1.038
	-	-	642	1.038
To Related parties				
Klaipėdos pienas AB	1.320	1.091	1.310	1.072
Čia Market UAB	2.931	2.593	2.931	2.593
Muizas piens SIA	356	238	356	238
Dziugas Hungary Kft	146	363	146	363
Dziugas Eesti OU	1	-	1	-
Dziugas Deutschland GmbH	-	-	-	-
Dziugas Poland Spolk	859	920	859	920
Dziugas UK Ltd	4.479	1.110	4.479	1.110
UAB Nepriklausoma tyrimų laboratorija	17	17	15	16
Dziugas USA LLC	-	-	-	-
	10.109	6.332	10.097	6.312
Sales of inventory and services				
To the Group				
Šilutės Rambynas ABF	-	-	36	27
	-	-	36	27
To Related parties				
Klaipėdos pienas AB	293	347	293	347
Žemaitijos pieno investicija AB	30	32	29	32
Samogitija UAB	0	0	0	0
Čia Market UAB	226	211	221	205
Muizas piens SIA	4	3	4	3
UAB Nepriklausoma tyrimų laboratorija	43	42	31	30
Dziugas Deutschland GmbH	-	1	-	1
Dziugas Hungary Kft	4	5	4	5
Dziugas Eesti OU	2	3	2	3
Dziugas UK Ltd	1	1	1	1
Dziugas Poland Spolk	8	47	8	47
	611	692	593	674
Total Sales:	10.720	7.024	11.368	8.051

	The Group		The Company	
	Jan-Jun 2025	Jan-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
2) Purchases				
<i>From the Group</i>				
Šilutės Rambynas ABF	-	-	6.295	7.142
	-	-	6.295	7.142
<i>From Related parties</i>				
Klaipėdos pienas AB	44	49	44	49
Žemaitijos pieno investicija AB	470	467	470	467
Čia Market UAB	902	708	902	707
Muizas piens SIA	123	219	122	219
UAB Nepriklausoma tyrimų laboratorija	916	789	713	610
UAB Samogitija	11	9	11	9
Dziugas Poland Spolk	437	349	435	349
Dziugas UK Ltd	-	-	-	-
Dziugas Deuthland GmbH	18	40	18	39
Dziugas Hungary Kft	101	162	101	162
Dziugas Eesti OU	165	191	165	191
Dziugas USA LLC	-	-	-	-
Danutė Pažemeckienė	57	58	57	58
	3.244	3.041	3.038	2.860
Total Purchases:	3.244	3.041	9.333	10.002

Balances outstanding with related parties:

	The Group		The Company	
	30 06 2025	31 12 2024	30 06 2025	31 12 2024
3) Accounts receivables and financial debts				
<i>From Group</i>				
Šilutės Rambynas ABF	-	-	-	-
	-	-	-	-
<i>From Related parties</i>				
Klaipėdos pienas AB (with finacial debts)	1.558	1.210	1.420	1.190
Čia Market AB	548	297	547	296
Muizas piens SIA	62	52	62	52
Dziugas Hungary Kft	62	120	62	120
Dziugas Deuthland GmbH	-	-	-	-
Dziugas Eesti OU	-	-	-	-
Dziugas Poland Spolk	109	191	109	191
Dziugas UK Ltd	1.034	1.062	1.034	1.062
	3.373	2.932	3.234	2.911
Total receivables:	3.373	2.932	3.234	2.911

	The Group		The Company	
	30 06 2025	31 12 2024	30 06 2025	31 12 2024
4) Balances of payables				
<i>To Group</i>				
Šilutės Rambynas ABF	-	-	3.826	1.037
	-	-	3.826	1.037
<i>To Related parties</i>				
Žemaitijos pieno investicija UAB	98	427	98	427
UAB Cia Market	-	-	-	-



Klaipėdos pienas AB	-	-	-	-
Muizas piens SIA	-	0	-	-
Dziugas Poland Spolk	-	-	-	-
Ddziugas Deutschland GmbH	-	-	-	-
UAB Samogitija	13	-	13	-
Dziugas Eesti OU	36	47	36	46
UAB Nepriklausoma tyrimų laboratorija	315	372	275	339
Dziugas UK Ltd	-	-	-	-
Dziugas USA LLC	-	-	-	-
Danutė Pažemeckienė	-	-	-	-
	<u>462</u>	<u>846</u>	<u>422</u>	<u>812</u>
Total payables:	<u>462</u>	<u>846</u>	<u>4.248</u>	<u>1.849</u>

As at 30 June 2025-2024, the Company has not recorded an impairment of the realisable value of related party receivables. As at 30 June 2025, the related party UAB Čia Market did not have any overdue receivables over 30 days past due.

The assessment of these doubtful debts is reviewed each financial year by checking the financial position of the party concerned, the market in which the party concerned is operating to forward looking factors (as described in Note 3 – Impairment of financial assets in financial statements for 2024).

The Company and the Group have concluded a number of transactions with related parties (AB “Žemaitijos pieno investicija” group companies) and the Group's profit and sales are significantly affected by transactions with AB “Žemaitijos pieno investicija” group. Transactions include the leasing of fixed assets, the sale of raw materials and the purchase of manufactured products (cheese) from ABF “Šilutės Rambynas”, the sale of the finished products to UAB “Čia Market”, and the sale of raw materials, production and services to AB “Klaipėdos Pienas”.

19. EVENTS AFTER THE REPORTING PERIOD

There were no events occurred after the reporting period that would influence financial results of the Group and the Company.