

APPROVED:
by the Minutes of the Board of
Žemaitijos pienas AB

Suggested draft decisions of the Board concerning the issues on the agenda of ŽEMAITIJOS PIENAS AB Ordinary General Meeting of Shareholders to be convened on 14 April 2016

No.	Issue on the agenda	Draft decision																																				
1.	Organisational issues of the meeting.	Decision concerning the procedure, terms and conditions of holding the General Meeting of Shareholders.																																				
2.	The audit findings and the presentation of the consolidated annual report 2016 of the Company.	The audit findings and the consolidated annual report 2016 of the Company has been presented and heard out. No decision is to be taken regarding this issue. The audit findings, the consolidated annual report and the governance code are attached hereto.																																				
3.	Approval of the Company's annual consolidated financial statements 2016.	The annual consolidated financial statements of the Company have been presented and heard out. The Company's annual consolidated financial statements 2016 and supplements thereto have been approved. The financial statements are attached hereto.																																				
4.	Approval of the 2016 profit / loss distribution of the Company	To approve the 2016 profit / loss distribution draft decision of the Board of the Company: <table border="1" data-bbox="630 1137 1315 1753"> <thead> <tr> <th></th> <th></th> <th>Thousand EUR</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Profit (loss) brought forward in the beginning of the reporting year</td> <td>36.393</td> </tr> <tr> <td>2</td> <td>Net profit (loss) of the current financial year</td> <td>12.065</td> </tr> <tr> <td>3</td> <td>Transfers from reserves</td> <td>4.565</td> </tr> <tr> <td>4</td> <td>Share of profit to pay interim dividends</td> <td>-5.557</td> </tr> <tr> <td>5</td> <td>Share of profit for bonuses</td> <td>-749</td> </tr> <tr> <td>6</td> <td>Total profit (loss) to be appropriated</td> <td>46.717</td> </tr> <tr> <td>7</td> <td>Share of profit allocated to the Reserve for Acquisition of Own Shares</td> <td>5.000</td> </tr> <tr> <td>8</td> <td>Share of profit to pay dividends*</td> <td>2.315</td> </tr> <tr> <td>9</td> <td>Share of profit for annual payments (bonuses) to the members of the Board and the Supervisory Board</td> <td>200</td> </tr> <tr> <td>10</td> <td>Share of profit for employee bonuses and for other purposes</td> <td>1.000</td> </tr> <tr> <td>11</td> <td>Profit (loss) brought forward at the end of the reporting year, transferred to the next financial year</td> <td>38.202</td> </tr> </tbody> </table> <p><i>*0,05 EUR per share (amount paid 2.315.219 eur)</i></p>			Thousand EUR	1	Profit (loss) brought forward in the beginning of the reporting year	36.393	2	Net profit (loss) of the current financial year	12.065	3	Transfers from reserves	4.565	4	Share of profit to pay interim dividends	-5.557	5	Share of profit for bonuses	-749	6	Total profit (loss) to be appropriated	46.717	7	Share of profit allocated to the Reserve for Acquisition of Own Shares	5.000	8	Share of profit to pay dividends*	2.315	9	Share of profit for annual payments (bonuses) to the members of the Board and the Supervisory Board	200	10	Share of profit for employee bonuses and for other purposes	1.000	11	Profit (loss) brought forward at the end of the reporting year, transferred to the next financial year	38.202
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5.	Determination of the budget for the members of collegial bodies of the Company for the activities carried out in the Company	To approve the budget of EUR 120 000 (one hundred twenty thousand euro) to the members of collegial bodies of the Company for the activities in the Company for the period from the decision taken by the Annual General Meeting of Shareholders of 2017 up to the decision taken by the Annual General Meeting of Shareholders of 2018.
6.	Regarding the election of the members of the audit committee of the Company.	To authorise the Supervisory Council to elect the Company's audit committee members and determine the operational budget (EUR).
7.	Regarding determination of the terms, conditions and procedure of acquisition of own shares.	<p>To acquire the shares of the Žemaitijos pienas company via NASDAQ OMX Vilnius stock exchange market takeover bid market under the rules regulating the above market.</p> <ul style="list-style-type: none"> - The purpose of acquisition of own shares: 1) To ensure the opportunity for the shareholders to sell shares in order to increase, maintain and / or stabilize the liquidity of the shares of the Company; 2) In order to enhance, maintain and / or stabilize the market price of the Company's shares; 3) In order to be able to allocate their own shares for the Company employee incentives, so that they contribute to the achievement of the better results of the Company, and to sell shares to the Company's employees, except for the employees who are members of the Company's Supervisory Council or the Board, or the managing director, as well as employees who are shareholders of the Company; 4) In order to be able to use its own shares in the potential exchange processes, when the Company acquires the shares of other companies; 5) In order to have a reserve of its own shares, which, if needed, could be used by the decision of the Board for the purposes (any single one or several of them) specified in points 1-4. - The maximum number of shares acquired may not exceed 1/10 of the authorised capital, including the own shares held by the Company; - The period during which the Company may purchase own shares shall be 18 months from the date of this decision. - The maximum purchase price per share shall be 1.1 euro / s, and the minimum purchase price per share shall be 0.29 euro / s. <p>To authorise the Board of the Company, in accordance with the terms and conditions set in this decision and requirements of the Law on Companies, to organise the purchase and sale of own shares, to determine the procedure and time for the purchase and sale of own shares, the number and price of the shares, as well as to perform other actions related to the acquisition of own shares.</p>