

9 June 2020**FirstFarms A/S sells 1,675 hectares of land and adjusts the expectations upwards by DKK 20 million**

FirstFarms A/S has today signed conditional agreement (SPA). The agreement is entered in continuation of Head of Terms about sale of 1,675 hectares of land in West Romania (company announcement no. 9 of 30 April 2020).

The expected sales price constitutes DKK 85 million. The trade is expected to be carried out in tranches over the coming 8-11 months.

The profit of the sale is expected to affect EBIT with DKK 40 million over the coming 11 months.

FirstFarms adjusts the announced expectations to 2020 upwards by DKK 20 million. There is now expected an EBITDA result in the level of DKK 95-120 million and an EBIT result of DKK 45-70 million. In 2019, an EBITDA of DKK 96 million and EBIT of DKK 48 million was realised.

Anders H. Nørgaard says: "With this sale we are realising a significant and satisfactory profit from our development of the land in West Romania". Anders H. Nørgaard continues, "FirstFarms' land is in our accounts booked at purchase prices and not market prices. Therefore, it is only through a sale of the land that the accumulated value increase of the land is realised. Thus, I am pleased that the significant hidden values in our land portfolio can be partially realised through this sale".

Anders H. Nørgaard clarifies: "We have at the end of 2019 a booked land value of DKK 346 million (9,200 hectares) with an estimated market price of DKK 615 million. We estimate regularly the land strategy in the individual departments, and whether the land shall be operated or sold".

With the sale, FirstFarms' cash resource is strengthened by DKK 85 million, as the land is not pledged.

The land is purchased in 2007-2008 and has been operated by FirstFarms the last 5 years.

The turnover in West Romania constitutes 5 percent of FirstFarms' total turnover. In the department, focus has been on development of the land portfolio, and the operating results have not been satisfactory. As a significant part of FirstFarms' business model, the land holding has been increased in value in the form of extensive trenching, land swap and improvement of the land structure.

Best regards,
FirstFarms A/S

For further information:

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Facts about FirstFarms A/S:

FirstFarms is a Danish public limited company with approx. 2,700 shareholders, who acquires and manages agriculture in Eastern Europe, and development the individual farms to modern businesses that deliver milk, meat and grains of the highest quality to the local food processing companies

FirstFarms contributes to the development towards a more sustainable agriculture.

The activities take place in agricultural companies in The Czech Republic, Slovakia, Romania and Hungary.

FirstFarms operates a total of 19,200 hectares, of which 9,200 hectares are owned. FirstFarms has 2,700 milking cows and 2,500 young stock, 4,800 sows with a yearly production of 167,500 piglets for own slaughter pig production and the local marked and 88,500 slaughter pigs.

FirstFarms employs 317 employees.