

11 June 2020**FirstFarms A/S purchases company and adjusts the expectations upwards by DKK 15 million**

FirstFarms A/S has today entered final agreement about purchase of the Northwest Romanian company AISM Srl. AISM Srl. owns 2,430 hectares of cultivated, leased agricultural land in Romania, a modern silo plant with 6,000 tons storage capacity, feed mill and storage- and office facilities.

The land is located in a very fertile area of Romania with potential for high yields on crops. The existing management in West Romania takes over the responsibility for the new operation centre and will utilise FirstFarms' know-how in the best possible way.

CEO in FirstFarms, Anders H. Nørgaard, says: "We have a unique knowledge about operation and development of land along with purchase, storage and sale of crops. With this agreement we strengthen our equity and balance and thus the preparedness to development of our business".

Anders H. Nørgaard clarifies: "We see a large potential in the development of AISM and will use the coming period to assess the different possibilities and prioritise the effort."

The purchase price for AISM constitutes DKK 75 million based on market price for FirstFarms' shares. 2 external valuations of the assets have been obtained. The most significant assets are the agricultural land with an average value of DKK 43,000 per hectare. The agreement gives FirstFarms A/S a revenue in the region of DKK 15-25 million. The revenue is the difference of the fair value of the purchased assets deducted the paid price with shares at market price. The final opening balance is published with the accounts for Q2-2020.

FirstFarms adjusts the announced expectations for 2020 upwards by DKK 15 million. It is now expected an EBITDA result in the level of DKK 110-135 million and an EBIT result of DKK 60-85 million. In 2019, an EBITDA of DKK 96 million and EBIT of DKK 48 million was realised.

It is positive, that FirstFarms until now only has experienced a small direct impact on the production due to COVID-19.

It has been agreed, that the owners of AISM Srl. will be paid with shares in FirstFarms A/S. In this connection, it is agreed, that the owners of AISM Srl. will receive 1,198,500 new shares in FirstFarms A/S, and also a conditional receivable corresponding to the value of 50,000 shares.

The conditional receivable will be settled on delivery of the shares or cash payment 15 months after closing, to the extent that no guarantee claims have been made beforehand.

The 1,198,500 new shares are issued by a capital increase at minimum market price in accordance to the authorisation to the Board of Directors in FirstFarms A/S' Articles of Association.

The owners of AISM Srl. will hold 16.5 percent of the shares in FirstFarms A/S, due to the transaction, if shares are fully delivered according to the conditional receivable. With the purchase FirstFarms' equity is strengthened by DKK 90 million – corresponding to fair value of the purchased assets.

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.