

26 March 2019**Annual report 2018 for FirstFarms A/S**

FirstFarms A/S had a good 2018 and expects continued progress in 2019

In 2018, FirstFarms realised a turnover of DKK 248.9 million and an EBITDA of DKK 57.5 million, which is a growth of 30 percent in turnover and 31 percent in EBITDA. The progress is mainly due to the company's growth strategy.

Thus, FirstFarms achieved the first part of the company's goal to become one of Europe's best agricultures in terms of turnover and efficiency. The agricultural production in Eastern Europe is in good development, the price on land increasing and the demand for pork is big.

FirstFarms A/S continues in 2019 the execution of the company's growth strategy and expects a strong 2019 with a growth in EBITDA result to the level of DKK 55-60 million and an EBIT result to the level of DKK 25-30 million.

Summary

The Board of Directors and Management of FirstFarms A/S has today reviewed and adopted the annual report for 2018.

2018: Turnover increased by 30 percent and EBITDA with 31 percent

- FirstFarms realised a turnover of DKK 248.9 million and an EBITDA of DKK 57.5 million, which is a growth of 30 percent in turnover and 31 percent in EBITDA. The prosperity is mainly due to the company's growth strategy.
- EBIT result is DKK 26 million and pre-tax result is DKK 12 million. The EBIT result is improved by DKK 9 million compared to 2017. The takeover in May 2018 of the pig production in Czech Republic has contributed positively to the result; including recognition of negative goodwill of DKK 5 million.
- In 2018, FirstFarms realised a result after tax of DKK 8,131 million and the board of directors recommend that DKK 3,264 million (DKK 0.53 per share) is distributed as dividend which is 40 % of the annual result.
- In 2018, FirstFarms has successfully expanded the growth strategy about spreading of risk both geographically and in operation branches. Thus, there is a balanced distribution of the production.
- The result is considered satisfactory, especially seen in connection with the challenging market conditions, which the pig sector has been affected by.
- FirstFarms purchases, develops and operates agriculture in Eastern European EU-countries within the operation branches fields, cows and pigs. The farms are located with up to 1,500 kilometres distance in Czech Republic, Slovakia, Hungary and Romania. This gives a strategic safeguard against the risks, which an agricultural production can be affected by.
- FirstFarms has a land portfolio of more than 7,000 hectares of owned land and more than 11,000 hectares rent contracts – totally 18,605 hectares of arable land in operation.
- During the financial year, a farm was purchased in Czech Republic with production of slaughter pigs divided on two different locations with a total production of 72,000 slaughter pigs per year. The production basis for the crop production in Czech Republic is 1,150 hectares, of which 929 hectares are owned land.
- In 2018, FirstFarms has improved the cash resources significantly through new bank agreements. Thus, there is latitude for investment in further growth.
- The price on agricultural land in Eastern Europe is increasing.

- A large part of the value creation happens through development of the land portfolio. All owned land is booked at purchase prices and not market prices. The main part of the land has been in our ownership for over 10 years. FirstFarms thus assesses that there is significant added value regarding the land for DKK 225 million after tax in addition to the booked equity of DKK 370 million.

2019: Expectations

FirstFarms expects a strong 2019 with a growth in EBITDA result to the level DKK 55-60 million and i EBIT result to the level DKK 25-30 million.

We expect, that 2019 will be a lucrative stable year for milk- and crop production in EU. Due to the current market situation, we must expect that the pig production in first half of 2019 will be challenged with low sales prices and high feed prices, but we also expect that the prices will improve in second half year of 2019.

An important focus area for FirstFarms in 2019 will be to work on expanding the pig production with more produced piglets and slaughter pigs and optimising the operation in the milk production. We expect to expand the crop production with a smaller area, just as we will expand our storage facilities for crops, so we can increase the value of a larger part of the sales crops.

FirstFarms' annual report can be seen in its full length in the attached document/link (88 pages).

Best regards,
FirstFarms A/S

For further information:

Please visit our website www.firstfarms.com or contact CEO Anders H. Nørgaard on telephone +45 75 86 87 87.

About FirstFarms:

FirstFarms is a Danish stock exchange listed company, which purchases and operates agriculture in Eastern Europe. We develop the individual farms to modern and sustainable businesses that deliver milk, meat and grains of the highest quality to the dinner tables all over the world.