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FirstFarms A/S - Statement from the Board of Directors
regarding the voluntary cash offer made on 7 March 2025 by Constantinsborg A/S

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Statement of 17 March 2025 from the board of directors (the “**Board of Directors**”) of FirstFarms A/S (“**FirstFarms**” or the “**Company**”) pursuant to section 22 of Executive Order no. 636 of 15 May 2020 on takeover bids (the “**Danish Takeover Order**”) regarding the voluntary cash offer (the “**Offer**”) made on 7 March 2025 by Constantinsborg A/S (the “**Offeror**”).

1 Introduction

1.1 Briefly about the Offer

On 11 February 2025, the Offeror announced its decision to submit a voluntary cash offer for all shares in FirstFarms (the “**Shares**”) (other than treasury shares held by FirstFarms and shares already held by the Offeror) pursuant to section 4(1) of the Danish Takeover Order.

Pursuant to section 4(2) of the Danish Takeover Order, the Offeror thereby became obligated to publish an offer document (the “**Offer Document**”) approved by the Danish Financial Supervisory Authority containing a description of the terms and conditions of the Offer to the shareholders of FirstFarms (the “**Shareholders**”) no later than four weeks after 11 February 2025. The Offer Document was published on 7 March 2025.

Pursuant to the Offer Document, the Offeror offers a cash consideration of DKK 84 per share of nominally DKK 10 (the “**Offer Price**”), subject to any adjustment for dividends or other distributions declared or paid to the Shareholders prior to completion of the Offer.

The Offer is open for acceptance from 7 March 2025 until 7 April 2025 at 23:59 (CEST) (the “**Offer Period**”). The Offer Period may be extended by the Offeror as described in the Offer Document.

The Offeror has set out certain conditions to its offer in the Offer Document (the “**Conditions**”), including obtaining relevant regulatory approvals and that No Material Adverse Change has occurred. The Offeror has not conditioned the completion of the Offer on any minimum acceptance threshold. The Conditions are reproduced as in the Offer Document in section 2.8 below and reference is made to section 12 of the Offer Document for the definitions applied. The Offeror reserves the right to withdraw the Offer if one or more of the Conditions are not fulfilled at the expiry of the Offer Period or at completion of the Offer. The Offeror may waive or limit the scope of one or more of the Conditions by publishing a supplement to the Offer Document.

If, as a result of the voluntary takeover offer, the Offeror does not obtain more than half (50 per cent) of the voting rights in the Company, the Offeror will be obliged to submit a mandatory public takeover offer pursuant to sections 44-45 of the Danish Capital Markets Act. The Offeror has noted in the Offer Document that the Offeror does not expect such obligation, as the Offeror expects to acquire Shares corresponding to more than half of the voting rights and share capital in FirstFarms.

It is the Offeror’s intention to seek the Shares removed from trading and official listing on Nasdaq Copenhagen following completion of the Offer, regardless of the outcome of the Offer, even if the Offeror does not obtain more than 90 per cent of the share capital and voting rights in FirstFarms. It is not the intention of the Offeror to complete a compulsory redemption of any remaining Shares held by other Shareholders (other than the Offeror and FirstFarms), even if the Offeror may be entitled to do so following completion of the Offer. However, the Offeror reserves the right to do so.

1.2 Background for the Board of Directors’ statement

This statement (the “**Statement**”) is prepared by the Board of Directors of FirstFarms for the purpose of complying with the obligations in section 22 of the Danish Takeover Order.

Pursuant to section 22(1) of the Danish Takeover Order, the board of directors of a Danish listed company, which is subject to a public takeover offer, must prepare and publish a statement containing the board of directors’ position on the takeover offer and the reasons for it. The board of directors must also consider the advantages and disadvantages in relation to the offer and the expected development of the company. The board of directors shall explain its position on the consequences of the takeover offer for all interests of the company and on the offeror’s strategic plans for the target company and their likely consequences for the employees and the company’s places of business.

1.3 Certain interests and ownership interests in FirstFarms

In providing this Statement, the Board of Directors has endeavoured to consider all the Shareholders' interests and to ensure independence from special interests.

As a result, the Board of Directors has unanimously resolved that board member Lise Kaae, due to her relation to the Offeror, was not allowed to participate in board meetings where the Offer has been discussed, and she has not participated in the preparation of the Board of Directors' Statement. None of the other members of the Board of Directors have assessed to have a conflict of interest in relation to the Offer and have therefore participated in the preparation of this Statement.

No member of the Board of Directors is party to or has knowledge of any agreements that are material to the assessment of the Offer other than the agreements described in the Offer Document. No agreement has been entered into between any member of the Board of Directors or the Executive Management on the one hand and the Offeror or any person acting in concert with the Offeror on the other hand to amend any existing agreements on bonus or similar incentive schemes, nor will any such agreements be entered into prior to completion of the Offer.

No members of the Board of Directors have direct or indirect ownership interests in the Offeror. The members of the Board of Directors do not hold warrants in the Company.

The following members of the Board of Directors and Executive Management own Shares in the Company as listed in the table below:

Member of the Board of Directors/member of the Executive Management	Number of Shares in FirstFarms (pcs.)
Henrik Hougaard, directly and indirectly through his ownership of Thoraso ApS and Thoraso Holding ApS	2,416,862
Bendt Tido Hannibal Wedell, directly and indirectly through his ownership of Wefri Holding ApS, Wefri A/S and AIC A/S	1,360,829
Asbjørn Børsting	50,597
Jens Bolding Jensen	10,097
Karina Boldsen	2,899
Claus Ewers	284,771
Anders H. Nørgaard	186,435

1.4 The Shareholders' own responsibility

Each Shareholder must make its own decision whether to accept the Offer, taking into account the general circumstances, the Shareholder in question's personal situation (including tax situation) and its individual assessment of the future development of FirstFarms' value and market price, the Offeror's intention to seek a delisting of the Shares from Nasdaq Copenhagen and the risk of a subsequent compulsory redemption.

In deciding whether to accept the Offer, each Shareholder should make use of all available information and take due account of personal circumstances. In particular, the specific financial and tax situation of each individual Shareholder may in some cases lead to assessments that differ from the assessments and opinions presented by the Board of Directors in this Statement. The Board of Directors therefore recommends that the

Shareholders, at their own responsibility and expense, seek independent tax and legal advice if necessary, and the Board of Directors accepts no responsibility for any decisions that the Shareholders may make with respect to the Offer.

2 Background for the Board of Directors' assessment of the Offer

2.1 FirstFarms group activities and business strategy

The FirstFarms group's operating activities are within agriculture and food. The group employs around 400 employees across four operating branches: crops, milk, pigs and development of the land portfolio. The FirstFarms group has 20 locations in five EU countries: Denmark, Czech Republic, Slovakia, Hungary and Romania, respectively.

FirstFarms has currently implemented a 2028 strategy in order to increase the group's revenue and earnings over five years, as further described in FirstFarms' annual report for the period 1 January 2024 to 31 December 2024 published on 13 March 2025 (the "**2024 Annual Report**").

FirstFarms was publicly listed in 2006.

2.2 The process leading up to the submission of the Offer

The Offeror made its first investment in FirstFarms of DKK 97.2 million in February 2024 through a directed share issuance and issuance of a convertible loan to FirstFarms with a principal amount of DKK 89.1 million. The Offeror has since continuously increased its ownership interest in FirstFarms.

Prior to the Offeror's decision to submit the Offer, the Board of Directors has only had limited contact with the Offeror and the Board of Directors has, thus, not negotiated the terms and conditions with the Offeror prior to the Offeror's decision to submit the Offer.

The Board of Directors was informed on 4 February 2025 of the Offeror's considerations regarding submitting the Offer and the intention to seek the Shares removed from trading and official listing from Nasdaq Copenhagen following completion of the Offer. On 5 February 2025, FirstFarms and the Offeror entered into a confidentiality agreement in order to exchange certain information and clarify certain matters for the purpose of the Offeror's considerations and for the purpose of coordinating a possible submission of the Offer.

On 11 February 2025, the Offeror decided to submit the Offer and the Offeror and FirstFarms each published announcements about the Offeror's decision to submit the Offer. On 13 February 2025, the Offeror notified FirstFarms about conversion of the convertible bond into 1,100,000 Shares at a price of DKK 84 per Share. The conversion was completed on 6 March 2025.

Following the Offeror's decision to submit the Offer, the Board of Directors initiated (without participation of Lise Kaae) a discussion with the Offeror about a possible adjustment of the Offer Price based on some of the comments regarding FirstFarms' values as further described by the Board of Directors in section 2.6. This discussion did not lead to any changes.

The Board of Directors is not aware of any irrevocable undertakings by certain FirstFarms Shareholders in relation to acceptance of the Offer.

FirstFarms, including the Board of Directors, is assisted by ABG Sundal Collier as financial advisor and Gorrissen Federspiel Advokatpartnerselskab as legal advisor in connection with the Offer.

2.3 FirstFarms' share capital and ownership structure

FirstFarms' total share capital as per 17 March 2025 amounts to nominally DKK 122,463,110 divided into 12,246,311 shares of nominally DKK 10. FirstFarms has one share class and all shares of nominally DKK 10 have one vote. The shares are admitted to trading and official listing on Nasdaq Copenhagen.

As of 17 March 2025, the following Shareholders have notified FirstFarms that they each hold more than five (5) per cent of the total share capital and/or the total number of voting rights in the Company.

Shareholder	Share of FirstFarms' share capital (per cent)	Share of FirstFarms' voting rights (per cent)
Constantinsborg A/S (the Offeror)	30.87	30.87
Bendt Tido Hannibal Wedell, directly and indirectly through his ownership of Wefri Holding ApS, Wefri A/S and AIC A/S	11.11	11.11
Henrik Hougaard, directly and indirectly through his ownership of Thoraso ApS and Thoraso Holding ApS	19.74	19.74

The Board of Directors has not received information about the major shareholders' position in relation to the Offer.

2.4 Warrants

FirstFarms' Board of Directors has in the period 2022-2024 decided to partially utilise authorisations from FirstFarms' general meeting and has issued warrants ("**Warrants**"), which gives the holders of Warrants the right to subscribe for shares in FirstFarms in accordance with FirstFarms' articles of association. The Warrants have been granted to current and former employees in the FirstFarms group, and the Warrants have not been exercised at the time of the submission of this Statement. All warrants issued by FirstFarms before 2022 have either been exercised or lapsed.

Below is an overview of all outstanding Warrants and subscription prices:

Year of issuance	2022	2023	2024
Subscription price per FirstFarms share of nominally DKK 10	DKK 68.82	DKK 87.14	DKK 66.32
Outstanding warrants	108,000	56,500	60,500

In connection with the completion of the Offer, no decision will be made to accelerate the exercise period of the Warrants. In connection with a potential delisting of the Shares from Nasdaq Copenhagen, the Board of Directors expects that further decision will be made in this respect.

2.5 Financial information and outlook

The following financial highlights and key figures for the FirstFarms group are included in the 2024 Annual Report:

Key figures for the group (DKK million)	2024
Net turnover	454.0
Gross profit	217.4
Result before depreciations (EBITDA)	105.3
Result from primary operations (EBIT)	43.0
Net financial items	-34.1

Profit before tax	8.9
Profit for the year	16.3
Proposed dividend	0.0
Non-current assets	1,271.4
Current assets	413.5
Total assets	1,684.9
Share capital	111.5
Equity	819.2
Non-current liabilities	718.8
Current liabilities	146.9
Net interest-bearing debt*	551.0
Cash flow from primary operation	88.7
Cash flow from operating activities	47.1
Cash flow from investment activity, net	-89.4
Of which for investment in tangible assets	-114.3
Cash flow from financing activity	154.1
Total cash flow	111.8
Key ratios for the group	
Gross margin	47.9
EBITDA margin	23.2
Operating margin	9.5
Solvency ratio	48.6
Result per share, DKK	1.55
Diluted result per share, DKK	1.55
Dividend per share, DKK	0.00
Net interest-bearing debt/EBITDA	5.2
Return on equity	2.2
Average number of employees	389

* Interest-bearing debt minus cash and cash equivalents.

In the 2024 Annual Report, an expectation for 2025 of a revenue growth of at least 10%, an EBITDA in the range DKK 115-155 million and an EBIT of DKK 45-85 million against a realised EBITDA of DKK 105 million and an EBIT of DKK 43 million in 2024 is announced. These expectations are based on a continuation of FirstFarms' 2028 strategy.

2.6 Most significant assets and net asset value

FirstFarms' total assets amount to approximately DKK 1.7 billion, of which the book value of land accounts for 26%, buildings accounts for 24% and production facilities and machinery accounts for 14% and current assets accounts for 25% of which total fixed term deposit amount to DKK 125 million.

Part of FirstFarms' added value is realised through increases in FirstFarms' land values. This cannot be seen in the Company's income statement or balance sheet, as land values are calculated at cost price, but the estimated values have been disclosed in FirstFarms' financial statements. The estimated land values are based on external valuations combined with transactions conducted at the same level by FirstFarms.

Based on the latest external valuations, FirstFarms' land had at the end of 2024 an unrecognised value of approximately DKK 380 million before tax (DKK 300 million after tax). Current accounting policies and

standards do not allow these values to be revalued directly through the income statement in the financial statements.

FirstFarms' total equity, including the unrecognised added value on the land, is DKK 1.1 billion, corresponding to a net asset value per share of DKK 101. The Board of Directors notes that the net asset value is not an expression of the market price of the Shares and cannot necessarily be equated with the values that can be obtained by a realisation of the Company's assets. The Board of Directors further notes that any decision on realisation of FirstFarms' values for later distribution to the Shareholders, including possibly as part of the strategic alignment of FirstFarms' business activities as wished by the Offeror, see section 3.4.1, will have to be decided by FirstFarms' Board of Directors at the time when such distribution takes place. As noted under section 3.4.2, the completion of the Offer is expected to result in changes in the composition of the Board of Directors and the future composition is unknown at this time. A resolution on solvent liquidation of the Company and subsequent distribution of liquidation proceeds may be resolved at the Company's general meeting with at least 2/3 of both the votes cast and the share capital represented at the general meeting.

In this connection, the Shareholders are advised that the Offer Price will be paid in cash at an earlier point in time than a dividend payment as a result of realisation of FirstFarms' assets.

It should be noted that there may be significant uncertainty associated with the land values upon realisation and that there is therefore no assurance that the unrecognised added values can be realised.

2.7 Offer Price

According to the Offer Document, the Offeror offers a cash consideration of DKK 84 per share of nominally DKK 10 in FirstFarms.

The Offer Price corresponds to the price at which the Offeror has converted its convertible bond on 6 March 2025. In connection with the conclusion of the convertible bond on 29 February 2024, the conversion price was set at DKK 81, which corresponded to the subscription price for new shares in the capital increase by cash contribution carried out by the Offeror on the same date. As part of the terms of the convertible bond, it was agreed that the price of DKK 81 would be adjusted with accrued unpaid interest, so that the share of the loan amount to be converted was increased by unpaid interest, while the number of shares solely was calculated based on the loan amount. Depending on when the conversion right was exercised, the conversion price could have been between DKK 81-101 per share.

The Board of Directors notes that the conversion price, thus, is not an expression of a market value of FirstFarms at the present time nor otherwise can later be used as a negotiated price in connection with the Offer.

The Offer Price is shown below in relation to comparative prices for certain selected dates and periods:

Date/Period	Price per FirstFarms share	Premium (per cent)
Closing price 10 February 2025 (last trading day prior to publication of the announcement of the Offer)	72.00*	16.67
11 November 2024 to 10 February 2025 (3 months prior to 10 February 2025)	71.21**	17.96
12 February 2024 - 10 February 2025 (12 months prior to 10 February 2025)	76.20**	10.24
13 February 2023 - 10 February 2025 (24 months prior to 10 February 2025)	76.08**	10.41

* The price refers to the last reported market price for one Share listed on Nasdaq Copenhagen on 10 February 2025.

*** The average price is calculated on the basis of the volume-weighted average prices of the Shares in the relevant period as listed on Nasdaq Copenhagen, i.e. any trades made on marketplaces other than Nasdaq Copenhagen or made outside a marketplace ("over-the-counter") are not included.*

2.8 Conditions

In the Offer Document, the Offeror has set out the following Conditions to its offer. The Conditions are reproduced as in the Offer Document and reference is made to section 12 of the Offer Document for the definitions used:

- i. "All notifications and clearances from Competition Authorities and FDI Authorities required under the Competition Law and applicable FDI Law to Complete the Offer must have been submitted, and all required approvals and clearances must have been granted, and/or applicable waiting periods according to the required notifications must have expired or ended.*
- ii. No Material Adverse Change has occurred.*
- iii. There has been no change of, or binding undertaking to amend or change, FirstFarms' share capital or its articles of association, except for issues of FirstFarms Shares due to exercise of FirstFarms Warrants.*
- iv. FirstFarms has not issued or authorised the issuance of securities that can be exercised or exchange with, directly or indirectly converted into, in lieu of or as a substitute for FirstFarms Shares.*
- v. Neither FirstFarms' general meeting nor FirstFarms' Board of Directors (pursuant to authorisation from the general meeting) has carried out or resolved on any dividends or other distributions to the Shareholders, including (without limitation), share buy-backs, issuance of bonus shares or capital reductions.*
- vi. Neither FirstFarms nor any of FirstFarms' Subsidiaries has (a) entered into any agreement or commitment to sell of or acquire any business activity (whether in the form of assets or shares), whether through a merger, demerger, contribution (including to a joint venture), asset or profit sharing arrangement, partnership, consolidation, contractual obligation or similar transaction (or in each case a series of related transactions) for an amount or an enterprise value in connection with each such transaction (or series of related transactions) exceeding DKK 50,000,000, or (b) incurred short-term or long-term indebtedness for an aggregate amount exceeding DKK 50,000,000, except to the extent such debt has been incurred for the purpose of refinancing existing indebtedness.*
- vii. Other than Laws falling within the scope of the Regulatory Condition, no Law or decision that continues to be in force has been enacted or made by any competent court or supervisory authority or other public authority which would prevent or otherwise prohibit Completion, and no action has been taken and no applicable Laws has been announced, entered into, enforced, enacted, issued or deemed applicable to the Offer by any public authority, which prohibits, makes illegal, prevents or otherwise prohibits Completion.*
- viii. (i) No insolvency, bankruptcy, receivership, or similar proceedings under applicable Laws have been opened in respect of FirstFarms or assets owned by a member of the FirstFarms Group, and no legal obligation exists in any relevant jurisdiction with respect to the above proceedings, provided that such assets owned by one or more members of the FirstFarms Group, individually or in the aggregate, are material to the FirstFarms Group as a whole, and (ii) no member of FirstFarms' Board of Directors or FirstFarms' Management or any Person acting on their behalf has applied for such proceedings to be opened."*

The Offeror reserves the right to withdraw the Offer if one or more of the Conditions are not fulfilled at the expiry of the Offer Period.

The Board of Directors notes that the Offeror's right to withdraw the Offer until completion of the Offer means that Shareholders who accept the Offer bear the risk as to whether the Conditions will be or continue to be satisfied until completion of the Offer.

The Board of Directors notes that the Offeror has not conditioned the completion of the Offer on any minimum acceptance threshold. The Board of Directors also notes that, in the opinion of the Board of Directors, there is a reasonable degree of certainty that the Conditions will be satisfied, or continue to be satisfied, respectively, until completion of the Offer.

2.9 Delisting

As stated in section 1.1, the Offeror intends to seek FirstFarms' Shares removed from trading and official listing on Nasdaq Copenhagen.

The Board of Directors notes that the Offeror will propose this at a general meeting in FirstFarms and that the proposal requires adoption with at least 90 per cent of FirstFarms' share capital and voting rights present or represented at the general meeting.

The Board of Directors notes that the adoption hereof depends on the outcome of the Offer and the voting of other Shareholders, and it is therefore not clear at this time whether the Offeror's proposal for delisting can be adopted by at least 90 per cent of FirstFarms' share capital and voting rights present or represented at the general meeting. If a delisting is adopted at FirstFarms' general meeting, an offer must be made to the Shareholders to sell their Shares with a minimum offer period of 4 weeks in accordance with Nasdaq Copenhagen's rules. In this offer, the Shareholders must be offered a fair consideration for their Shares in accordance with the rules of Nasdaq Copenhagen. If the offer is made in continuation of the Offer, the Offer Price will generally be applied.

The Board of Directors notes that if FirstFarms' Shares are removed from trading and official listing on Nasdaq Copenhagen, Shareholders who choose not to sell their Shares in the Offer will no longer be able to benefit from the increased reporting obligations on the regulated market, and after completion Shareholders may experience significantly reduced trading opportunities as there will not be a market for trading in the Shares, which may entail that Shareholders will not be able to dispose of their Shares if they are not disposed of in connection with the Offer or the delisting. For certain Shareholders, a delisting may also have negative consequences for the tax treatment of the Shares.

2.10 Compulsory redemption

According to the Offer Document, the Offeror does not intend to complete a compulsory redemption of the Shareholders, even if the Offeror should be entitled to do so after completion of the Offer. The Board of Directors notes that the Offeror reserves the right to complete a compulsory redemption at any time, should the Offeror be entitled to do so.

The Board of Directors notes that even if a compulsory redemption is not initiated, Shareholders who do not accept the Offer should be aware that if a delisting of the Company is completed, there will not be a market for trading in the Shares, see section 2.9 above.

3 The Board of Directors' assessment of the Offer

As the Board of Directors encourages the Shareholders to analyse the Offer Document and take all of the matters described in this Statement into consideration when deciding whether to accept the Offer, the Board of Directors considers that acceptance of the Offer entails the following advantages and disadvantages for the Shareholders:

3.1 Advantages

The Board of Directors considers the following factors, in particular, to be advantages for Shareholders who may wish to accept the Offer:

- The Offer Price represents a premium to the closing price on the day prior to the publication of the announcement regarding submission of the Offer and to the volume weighted average for a period of 3,

12 and 24 months prior to the same announcement of 16.67%, 17.96%, 10.24% and 10.41%, respectively.

- A significant part of FirstFarms' values is tied up in assets that may take time to divest at an acceptable value and will therefore be associated with a significant risk. The Offer to purchase the Shares provides the Shareholders with certainty of a short-term realisation opportunity at a known and fixed consideration.
- FirstFarms' Shares have a modest trading volume on Nasdaq Copenhagen. The Offer, thus, represents an opportunity for Shareholders to sell their Shares for a known and fixed consideration, including the possibility to dispose major shareholdings without negatively impacting the share price.
- The fact that the Shareholders are remunerated in cash entails that there is no uncertainty in relation to the valuation of the remuneration, including the risk of realising the mentioned added values.
- The Offer is fully funded and not conditional upon due diligence investigations and without any requirement to obtain a certain percentage of acceptance of the Offer.
- Acceptance of the Offer will not prevent the Shareholders from accepting (subject to the restrictions set out in the Offer Document) a competing offer, if any.

3.2 Disadvantages

The Board of Directors considers the following factors, in particular, to be disadvantages for Shareholders who may wish to accept the Offer:

- The Offer Price is considered to be inadequate from a financial perspective for FirstFarms' Shareholders in an independent fairness opinion obtained by FirstFarms' Board of Directors from its financial advisor ABG Sundal Collier.
- The Offer Price represents a limited premium of 16.7% compared to the closing price the day before the announcement compared to an average premium for completed public takeover offers on Nasdaq Copenhagen of 33.7%¹.
- Shareholders, who accept the Offer, will not participate in a potential future value creation in FirstFarms and the long-term value creation may be greater than the short-term gain reflected in the Offer Price, especially considering the assessment of the above-mentioned added values on the land and the currently budgeted earnings.
- The Offer is subject to a total of eight (8) conditions, see section 1.1, which may create uncertainty as to whether the Offer will be completed. However, the Board of Directors notes that, in the opinion of the Board of Directors, there is a reasonable degree of certainty that the Conditions will be fulfilled or continue to be fulfilled until completion of the Offer.
- Shareholders will generally be taxed on the realised gain if they choose to sell their Shares, which may result in an acceleration of taxation. As the tax consequences of accepting the Offer depend on each Shareholder's individual tax circumstances, the Board of Directors recommends that Shareholders assess their own tax circumstances and, if necessary, consult their own professional advisors.

3.3 Possible consequences for Shareholders who do not accept the Offer

Shareholders, who do not accept the Offer, may experience certain material changes to their investment in FirstFarms, including:

- Shareholders, who do not accept the Offer, may participate in a potential future value creation in FirstFarms, including potential future dividends, among other things, as a result of any subsequent

¹ Based on analysis by ABG Sundal Collier covering a total of 83 completed takeover offers on Nasdaq Copenhagen since 1 January 2000

realisation of assets, if this may be decided at a later date.

- It is uncertain whether the market price of the Shares following completion of the Offer will increase, decrease or be unchanged compared to the Offer Price.
- Following completion of the Offer, the Offeror may have a voting majority at general meetings, including the voting majority required to implement significant structural and other corporate actions, such as election or removal of FirstFarms' board members, election of auditors and, depending on the outcome of the Offer, amendments to the articles of association, capital increases and, if the majority requirements under the Danish Companies Act and the articles of association are met, waiver of the Shareholders' pre-emption rights in capital increases and reorganisations, mergers and demergers in FirstFarms.
- A delisting of FirstFarms' Shares would entail that there would no longer be a market for trading in the Shares, which may result in Shareholders being unable to dispose of their Shares and, even if a disposal proves possible, it is uncertain whether Shareholders would be able to realise equivalent proceeds for their Shares as offered in the Offer.
- A delisting of FirstFarms' Shares will entail that the Shareholders will no longer be able to benefit from the increased reporting obligations applicable to listed companies on the regulated market.
- The Offeror has announced that the Offeror, through the Board of Directors of FirstFarms, will conduct a strategic review of FirstFarms' activities and business, which shall result in an adjustment of FirstFarms' business, both in terms of FirstFarms' business activities and geographical spread. Accordingly, the future strategy of FirstFarms after the completion of the Offer is unknown, including which business areas FirstFarms will be engaged in going forward, and how a changed strategy may affect the risk profile of the Shareholders' investment.
- A delisting of FirstFarms' Shares may have negative consequences for the Shareholders' tax treatment of the Shares, including for physical Shareholders' ownership of Shares through a share savings account (in Danish: "*aktiesparekonto*") or through pension funds. For Shareholders who own Shares through a company and are subject to Danish taxation, a change of status of the Shares from a listed share to an unlisted share may result in transfer taxation. As the tax consequences depend on each Shareholder's individual tax situation, the Board of Directors recommends the Shareholders to assess their own tax situation and, if necessary, consult their own professional advisors.
- Although the Offeror does not intend to complete a compulsory redemption following completion of the Offer, the Offeror reserves the right to do so. In the event of a future compulsory redemption that does not occur in continuation of the Offer, the compulsory redemption may occur at a lower price than the Offer Price. If such compulsory redemption is initiated more than three (3) months after the expiry of the Offer Period, the question of the reasonableness of the redemption consideration may be brought before the court.

The Board of Directors recommends the Shareholders to review and consider the statements and representations made by the Offeror in the Offer Document, including the above-mentioned potential consequences, when deciding whether to accept the Offer and the additional comments in this Statement. In connection with these comments, the Board of Directors emphasises that it has no actual knowledge or expectation that the Offeror will attempt to exercise its control over the Company following completion of the Offer in a manner detrimental to the minority Shareholders. On this background, the following description is intended to make the Shareholders aware of a number of fundamental principles of applicable Danish law:

Although the Danish Companies Act provides the minority shareholders of a company with a number of protective rights, and although (i) the board of directors of a company is obliged under Danish law to safeguard the interests of the company and all shareholders, (ii) individual board members are excluded from participating in decisions if such member has or may have, or represents a third party who has or may have, a material interest that is contrary to the interests of the company in that decision; and (iii) neither the general meeting nor the board of directors may make or implement a decision that may give a third party (including a shareholder)

an undue advantage at the expense of the company or its shareholders, there is no guarantee that the protective rights provide adequate protection for minority shareholders and, in any event, the enforcement of these rights can be costly and time consuming. Under the general principles of Danish law, a shareholder has no duty of loyalty or similar obligations towards the company or the other shareholders.

3.4 Other considerations of the Board of Directors

3.4.1 The Offeror's strategic plans

The Offer Document contains a description of the Offeror's plans for FirstFarms. In the opinion of the Board of Directors, the following plans may have a particular impact on the Company's interests:

- The Offeror intends to seek FirstFarms' Shares removed from trading and official listing on Nasdaq Copenhagen as the Offeror believes that a delisting will provide FirstFarms with increased strategic and operational flexibility and reduce administrative burdens and costs associated with a listing on a regulated market.
- Following the completion of a delisting, the Offeror will, through the Board of Directors of FirstFarms, conduct a strategic review to ensure that the FirstFarms group has the right strategic and business focus, as the Offeror believes that the FirstFarms group's current strategic focus is spread over too broad a spectrum of business areas and geography. The Offeror therefore wishes to make a strategic alignment of FirstFarms' business, both in terms of business activities and geographical spread. The Offeror mentions that the strategic review also aims to secure value for the Shareholders. In the strategic review, the Offeror will offer FirstFarms' management strategic sparring, operational insight and access to its network. The Offeror further mentions that the final plans for FirstFarms depend on whether the intended delisting of FirstFarms' Shares is realised as well as how large an ownership interest the Offeror will have after such delisting.

The Board of Directors has noted the Offeror's request for a strategic review. The Board of Directors notes that the strategy for FirstFarms has been subject to discussion in the Board of Directors, and that there has not been consensus in the Board of Directors regarding the strategic and business focus. The Board of Directors notes that until another decision is made, the Board of Directors for now continues the current strategy and operation of FirstFarms. The strategy, including the spread in business areas and geography, is chosen to diversify FirstFarms' risk both within the individual business areas and geographical areas. Until the completion of the strategic review, it is not clarified which measures and adjustments of FirstFarms' business activities and geographical spread will be made. Based on the description in the Offer Document, the Board of Directors cannot exclude that this will result in divestments of certain business areas, including, for example, animal production or land. Such divestments can be approved by the Board of Directors and its members at a later time.

In relation to the request for delisting, see section 2.9.

3.4.2 The Offeror's intention in relation to employees, management and business sites

The Offeror has in the Offer Document stated that the Offeror intends to maintain FirstFarms' operational presence in Denmark, including maintaining the head quarter of FirstFarms in Billund, the place of employment and employment conditions.

The Offeror further states that no decision has been made in relation to FirstFarms' operations and future organisation, including terms of employment and the place of employment as of the date of the Offer Document and that decisions otherwise relating to FirstFarms' operations and future organisation will await the completion of the strategic review mentioned above in section 3.4.1.

As mentioned above, the Board of Directors will, until otherwise decided, continue the current strategy and operation of FirstFarms. The Board of Directors notes that any employment consequences await the strategic review requested by the Offeror and that the Offer is therefore not currently expected to have any consequences for the employment in FirstFarms, including significant negative changes to the employment conditions for the Company's employees.

As stated in company announcement no. 12 of 26 November 2024, FirstFarms' CEO, Anders H. Nørgaard, has resigned his position as CEO and will resign no later than 31 August 2025. The Offeror mentions that the Offeror considers it a key task for the Board of Directors to appoint a new CEO.

The Offeror further states that following the completion of the Offer, the Offeror intends to seek representation on the Board of Directors at a level that appropriately reflects the Offeror's ownership interest following completion of the Offer.

The Board of Directors agrees with the Offeror that the appointment of a new CEO is a key task. The Board of Directors further notes that the Board of Directors finds it expected and natural that the Offeror, following completion of the Offer, will seek a representation on the Board of Directors that reflects the Offeror's ownership interest at that time, but notes that the future composition of the Board of Directors is thus unknown. The Board of Directors further notes, that if the Offeror after completion of the Offer holds simple majority of the voting rights in FirstFarms, the Offeror will be able to unilaterally elect or dismiss all board members of FirstFarms.

3.5 Summary of the Board of Directors' considerations

The Board of Directors has unanimously resolved not to make a recommendation for or against accepting the Offer. The Board of Directors has identified a number of factors which, in the opinion of the Board of Directors, constitute the material advantages and disadvantages of the Offer, as well as certain other matters relevant to the Shareholders' consideration of the Offer.

The Board of Directors has furthermore obtained an independent fairness opinion from its financial advisor ABG Sundal Collier, which concludes:

"On this basis and subject to the procedures, assumptions, qualifications and limitations set out in the valuation, we consider the Consideration, as described in the offer document dated 7 March 2025, to be inadequate from a financial perspective for FirstFarms' shareholders."

In its approach to the Statement, the Board of Directors has endeavoured to consider all the interests of Shareholders and to ensure independence from special interests. Based on the Board of Directors' work with this Statement and the final content thereof, it must be noted that it will largely depend on the individual Shareholder's circumstances, expectations, risk profile and investment horizon whether an acceptance or rejection of the Offer will be appropriate.

In order to take due account of all Shareholders, the Board of Directors has endeavoured to provide the best possible basis for decision-making so that each Shareholder in the Company can make their own decision on an informed basis.

The Board of Directors encourages Shareholders to seek advice themselves if they consider this relevant.

The above conclusion from the Board of Directors should be read in conjunction with the Statement in its entirety.

4 Other conditions

4.1 Recipients

This Statement is addressed to FirstFarms' Shareholders to whom the Offer is made, subject to the restrictions set out in section 2 of the Offer Document.

4.2 Choice of law

This Statement is governed by Danish law and the courts of Denmark have exclusive jurisdiction.

4.3 Versions and languages

This Statement has been prepared in both Danish and English. In case of discrepancies between the two versions, the Danish version shall prevail.

4.4 Information sources

The information in this Statement regarding the Offeror has been obtained from publicly available sources, including the Offer Document. The Statement also contains references to quotations from the Offer Document. FirstFarms accepts no responsibility whatsoever for i) the accuracy or completeness of such information or ii) any failure by the Offeror to disclose events which may have occurred, or which may affect the meaning or accuracy of such information.

4.5 Forward-looking statements

This Statement may contain information that constitutes forward-looking statements. Forward-looking statements are statements that are not historical facts and are characterised by the use of words such as "estimate", "believe", "expect", "assume", "anticipate", "contemplate", "intend", "estimate", "will", "may", "continue", "should" and similar expressions. In this Statement, forward-looking statements are based on a number of assumptions, many of which are based on additional assumptions. Although the Board of Directors believe that these assumptions are reasonable at the time they are made, they inherently involve significant known and unknown risks, uncertainties, contingencies and other important factors that are difficult or impossible to predict or are beyond FirstFarms' control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied by the forward-looking statements. The Board of Directors has not verified, and expressly disclaims responsibility for, the forward-looking statements made by the Offeror in the Offer Document and as summarised in this Statement.

4.6 References, etc.

The Offer Document does not form an integral part of this Statement and is not incorporated herein by reference. FirstFarms assumes no responsibility for the accuracy, completeness or adequacy of the Offer Document, which is the sole responsibility of the Offeror.

FirstFarms and FirstFarms' Board of Directors accept no responsibility for statements or opinions expressed by any person in relation to the Offer other than the statements and opinions expressed herein.

Billund, on 17 March 2025
The Board of Directors of FirstFarms A/S:

Henrik Hougaard
Chairman of the Board

Asbjørn Børsting
Vice Chairman

Jens Bolding Jensen
Board member

Karina Boldsen
Board member

Bendt Wedell
Board member

Claus Ewers
Board member