

**24 March 2023**

## **Annual report 2022: Progress on all major parameters**

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*FirstFarms A/S delivers the best result since the stock exchange listing in 2006 and progress for the 7<sup>th</sup> year in a row.*

FirstFarms has in 2022 realised:

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|-------------------------------|------------------|
| o A turnover of 418 mDKK      | (2021: 370 mDKK) |
| o An EBITDA of 147 mDKK       | (2021: 114 mDKK) |
| o An EBIT of 96 mDKK          | (2021: 70 mDKK)  |
| o A pre-tax result of 84 mDKK | (2021: 46 mDKK)  |

The equity has increased from 530 mDKK to 683 mDKK. The total capital increase amounts to 153 mDKK. The Group thus ends up with a solvency ratio of 51% at the end of 2022.

The Board of Directors and Management of FirstFarms A/S have today reviewed and adopted the annual report for 2022, and recommends to the general meeting, that dividend of 0.95 DKK per share is paid to the company's shareholders.

### **2022 – a good year for FirstFarms**

The satisfactory and significantly improved result for 2022 has been achieved despite unpredictable market conditions, drought and high inflation. The result is driven by record-high milk and crop prices, reasonable pig prices, high efficiency, risk diversification and skilled employees.

"The good prices for our products are supported by the initiatives, well-functioning circular operation and high efficiency in all branches of operations. At the same time, all employees and managers once again delivered a dedicated effort," says CEO of FirstFarms, Anders H. Nørgaard.

"Our strategic decision, to diversify risks geographically and across branches of operations, again proves to be of significant importance to our results and the value we create for the Group and our shareholders. For example, the harvest yield in Romania was unsatisfactory due to drought, but nevertheless we took advantage of the high prices for crops in the market, as the harvest yield in the Czech Republic and Slovakia was at a satisfactory level overall," Anders H. Nørgaard continues and emphasises: "Continued risk diversification is one of the keys to future growth and thus further value creation."

### **Great activity**

2022 was a year of great activity. Among other things:

- FirstFarms acquired the crop production FirstFarms HunAgro (previously Try-Béta) – a clear strengthening of the circular operation in Hungary.
- FirstFarms initiated the construction of two new pig productions also in Hungary. The construction is near to be completed and will be put into use in May 2023.
- FirstFarms inaugurated a new 12,000 tons modern crop plant in Slovakia.

FirstFarms also initiated several solar cell projects – the kick off for a transition to green energy to make the Group as energy-sustainable as possible.

### **Expectation for 2023**

FirstFarms expects a stable 2023 and a satisfactory result with an EBITDA of 90-120 mDKK and an EBIT of 45-75 mDKK against a realised EBITDA of 147 mDKK and an EBIT of 96 mDKK in 2022.

Success in 2023 depends on the ability to continue to deliver high efficiency and productivity throughout the operation, as well as sales prices below the level realised in 2022. The focus will be on creating as much value as possible in the circular operation and value chains around FirstFarms' products.

It is expected that the Group will be challenged by high purchase prices in the field production and a generally high level of costs compared to 2022. At the same time, the result is negatively affected by the ramp up costs of the expansion of the pig production in Hungary. The production is fully operational by the end of 2023.

The work towards a more sustainable agriculture continues, and our green transition is intensified.

FirstFarms has a goal to become one of Europe's best operated and most profitable companies in the area of agriculture and food products, and the ambition is continued growth.

FirstFarms' annual report can be seen in its full length in the attached file.

Best regards,  
**FirstFarms A/S**

For further information:

Please visit our website [www.firstfarms.com](http://www.firstfarms.com) or contact CEO Anders H. Nørgaard on phone +45 75 86 87 87.

About FirstFarms:

*FirstFarms is a Danish stock exchange listed company. We operate FirstFarms with responsibility for the surrounding communities, and we deliver highest quality which is primarily sold locally. We act on new opportunities, that create value for our investors and for the surroundings. Every day, we work on creating a more sustainable company.*