

29 February 2024

## FirstFarms A/S secures large capital injection from the Heartland Group and positions itself for strong growth

*Heartland Group invests 186 mDKK in FirstFarms.*

With the capital injection in the form of a directed share issue and issuance of convertible bonds (as further described below), FirstFarms is strongly positioned to execute on its ambitious "Strategy 2028", with the purpose to increase turnover and earnings by 100 percent. This will be achieved through organic growth and acquisitions. It is accordingly agreed that the gross proceeds of 186 mDKK shall be used for FirstFarms' further development and implementation of FirstFarms' strategy.

Simultaneously, FirstFarms will continue its development towards a more sustainable operation.

*"It is with pleasure and pride that we have attracted such a large and recognised investor. We share values with the Heartland Group and have a common interest in farmland, agriculture, nature and the environment. With the Heartland Group as a major shareholder, our ability to execute our plans and achieve our goals is strengthened."*

*"The capital injection also provides the basis for our vision of developing into one of Europe's best operated and most profitable companies in the area of agriculture and food products," says Anders H. Nørgaard, CEO, FirstFarms A/S.*



With the capital injection, Constantinsborg A/S ("Constantinsborg"), a member of the Heartland Group, obtains an ownership stake in FirstFarms of 10.77 percent of the share capital. If Constantinsborg chooses to exercise the right to convert the bond to shares, Constantinsborg will obtain an ownership stake of 18.78 percent based on the number of shares subscribed for in the directed share issue.

*"At Heartland, we are excited about the investment in FirstFarms, which is aiming at establishing itself as one of Europe's best-run companies within agriculture and food. At the same time, and of no less importance to us, FirstFarms addresses and works ambitiously with the necessary (climate)transition that the agriculture is facing. We look forward to following and being a part of this," says Lise Kaae, CEO Heartland A/S.*

The capital injection is made by the Board of Directors' decision today to increase FirstFarms' share capital with nominally DKK 12,000,000 new shares of nominally DKK 10.00 each ("New Shares") against cash payment of DKK 81 per share through a directed share issue from FirstFarms to Constantinsborg.

Simultaneously, the Board of Directors in FirstFarms has decided to take out a loan of DKK 89,100,000 from Constantinsborg against issuance of convertible bonds without pre-emptive rights for existing shareholders and to carry out the associated capital increase of maximum nominal DKK 11,000,000.

### Details about the directed share issue

The New Shares will be issued by FirstFarms in accordance with the authorisation to the Board of Directors from FirstFarms' shareholders in articles 5.3.7 and 5.3.10 of the articles of association. The New Shares will be issued against cash payment without pre-emption rights for FirstFarms' existing shareholders.

Registration of the capital increase with the Danish Business Authority will be made as soon as possible and the New Shares will be issued through Euronext Securities Copenhagen and admitted to trading on Nasdaq Copenhagen with ISIN DK0060056166 as soon as possible after registration of the capital increase with the Danish Business Authority.

The New Shares carry the same rights as the existing shares, including the right to any dividends from and including the date of registration of the New Shares with the Danish Business Authority. Following the issuance of the New Shares, the Company's share capital will amount to nominally DKK 111,463,110 divided into 11,146,311 shares of nominally DKK 10.00 each, corresponding to 11,146,311 total voting rights. After the share issue, Constantinsborg will own 10.77 percent of FirstFarms' share capital and voting rights.

#### **Details about the issuance of convertible bonds**

The convertible bonds are issued in accordance with the authorisation in FirstFarms' articles of association section 5.7 to issue convertible bonds and the related capital increase and will be registered with the Danish Business Authority as soon as possible.

The loan according to the convertible bonds carries an interest rate of 5 percent p.a. and remains without instalments until the expiry of the term on 28 February 2029, after which FirstFarms shall repay the loan including interest, unless Constantinsborg has given notice of conversion of the loan to shares. Notwithstanding the foregoing, 25% of the accrued interest in the period from the date of issue until 28 February 2026 is due for payment 10 banking days after the end of a quarter.

Upon conversion of the loan into new shares, the new shares will be without pre-emption rights for the company's existing shareholders and with the same rights as the company's existing shares and will be admitted to trading on Nasdaq Copenhagen.

The conversion price is fixed corresponding to a price of at least DKK 81 per share of a nominal value of DKK 10. The conversion price is adjusted with accrued unpaid interest, meaning that the proportion of the loan amount for conversion is added the unpaid interest, while the number of shares is calculated solely on the basis of the loan amount, resulting in a conversion price between DKK 81-101 per share depending on the time of exercise of the conversion right. The total nominal capital increase as a result of a conversion of the loan cannot exceed DKK 11,000,000.

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.*