

Annual report 2021 for FirstFarms A/S

FirstFarms present the best result ever

Unusually high crop prices, very high efficiency and risk diversification are the primary reasons why FirstFarms for sixth year in a row presents record result, and thus delivers the best result ever, since the company was listed in 2006.

FirstFarms has in 2021 realised:

- A turnover of 370 mDKK
- An EBITDA of 114 mDKK
- An EBIT of 70 mDKK
- A pre-tax result of 46 mDKK

"We have been favoured by the good market conditions for crops in 2021, but the essential for the record numbers is that we again have improved efficiency in all branches of operation. Our managers and employees get the most out of the individual farms we run – and they do it under difficult market conditions. We are proud of that," says CEO of FirstFarms Anders H. Nørgaard.

The risk diversification is equally important a factor for the good result:

"In 2021, it became particularly clear how crucial positive the impact of our risk diversification in branches of operation is on our business, and thus on the value creation we create for our almost 2,600 shareholders," says Anders H. Nørgaard.

FirstFarms continuously reduces the negative impact on climate and nature, and takes responsibility for everything the company does. In 2021, FirstFarms had special focus on increased data collection and data processing from the company's 16 locations. This means, among other things, that FirstFarms can now document CO2 emissions from Scope 1 and 2 of the company's energy consumption in 2020 and 2021.

Summary

The Board of Directors and Management of FirstFarms A/S have today reviewed and adopted the annual report for 2021.

2021: Historical profit

- FirstFarms realised a turnover of 370 mDKK, an EBITDA of 114 mDKK and an EBIT of 70 mDKK, which is an increase in EBITDA of 14 mDKK despite a drop in EBITDA-margin of 1.3 %-point, and an increase in EBIT of 16 mDKK with an increase in EBIT-margin of 1.5 %-point. The progress has been made based on good market conditions for crops and high efficiency in all branches of operation.
- Result before tax is 46 mDKK, which is improved by 15 mDKK compared to 2020.
- Sale of land in Romania has, together with the historical high crop prices, contributed significant to the satisfactory result.
- In 2021, a profit after tax of 35 mDKK is realised, which is considered satisfactory.
- The Board of Directors recommends, that dividend is paid and distributes 6.7 mDKK (0.85 DKK per share) in dividend.
- In 2021, FirstFarms has strengthened its capital preparedness, and thereby gaining significant free reserves to invest in the growth.

Expectations to 2022

The war in Ukraine and the unknown future development makes it currently difficult to predict how the markets will react.

FirstFarms expects to deliver satisfactory earning and operation in 2022 with an EBITDA in the level of 80-120 mDKK and an EBIT in the level of 35-75 mDKK. This requires the relative high prices of crops to continue, for the milk prices to remain stable, for pig prices to increase and that the positive development of FirstFarms' land business continues. At the same time, the focus will continue to be on increased efficiency in the operations.

The work towards a more sustainable agriculture and reducing the carbon footprint will continue, and in 2022 we will launch further initiatives that contribute to a better climate. The European energy crisis and the war in Ukraine means, that FirstFarms is now bringing forward investments in green energy.

FirstFarms aim to become one of Europe's best operated and most profitable companies in the area of agriculture and food products, and the ambition is to continue to grow.

An extract of FirstFarms' annual report in English can be seen in the attached document.

Best regards,
FirstFarms A/S

For further information:

Please visit our website 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.