

FirstFarms A/S' acquisition of land leases and crop production in Hungary

FirstFarms A/S has, as previously announced in company announcement no. 23/2021, entered into agreement to acquire 100% of the Hungarian company Try-Béta Kft. regarding land leases and crop production, silo plant and machinery. The purchase price is 26 mDKK. The purchase agreement is conditional to final due diligence and authority approvals, and the transaction is now expected to be finalised at the latest in Q3 2022.

With the acquisition, FirstFarms significantly supports and expands its operations in Hungary. The company takes over the operation of 1,600 hectares of cultivated land (wheat, barley, maize, rape seed and sunflower), 6,900 tons of storage and silo capacity and full machinery. Try-Béta's 15 employees continue their work, but as employees of FirstFarms.

"This is a reasonable trade with great importance for the future development of our business in Hungary. We already own and operate the neighbouring locations with pig production, and with the acquisition of Try-Béta, we can strengthen our circular operation in the area, for the benefit of the environment, and for the benefit of ourselves." says CEO of FirstFarms Anders H. Nørgaard.

"Try-Beta's crops will, among other things, be used for feed in our pig productions, which are currently under expansion, and at the same time we can apply our animal manure in the Try-Béta fields, CEO of FirstFarms Anders H. Nørgaard continues, and underlines: "Thus, we strengthen our economy by minimising our costs, and at the same time it benefits the environment that we operate circularly."

Upon completion of the transaction, EBIT is expected to be positively affected by 3-5 mDKK annually, as the acquisition provides significant synergies. The acquisition is expected to affect EBIT by 2-3 mDKK in 2022.

The transaction will not affect the announced expectations for 2022 of an EBITDA in the level of 80-120 mDKK and an EBIT of 35-75 mDKK.

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.