

Report by the Chairman of the Board at FirstFarms' annual general meeting 26 April 2022

Dear shareholders,

Welcome to this year's annual general meeting at FirstFarms.

It's great that we're back together, and it's good that we can have a physical meeting again and face each other.

We are 37 shareholders present today, plus an unknown number, who watching online.

In the next 10 minutes or so, I will be looking at some general considerations about our company and our 2021 results as well as the expectations we have for 2022.

Subsequently, our CEO, Anders Nørgaard, will go into more detail with our business and production.

I will begin my report by putting a few words on the war in Ukraine and the current situation in Europe.

- The energy and commodity crisis that has emerged from the war
- Scarcity and the increasing food prices
- As well as the increasing costs

I put it into a FirstFarms context and thus also a shareholder context.

At FirstFarms, we employ 30 Ukrainians in our operating units in Denmark, the Czech Republic and Slovakia. FirstFarms does what we can to help our Ukrainian colleagues and their families. We have picked up about 30 family members at the border and accommodated them with their families in the countries we are in.

THE IMPACT OF WAR ON FIRSTFARMS

When we talk about operations and finances, FirstFarms is not directly affected by the war, and only to a lesser extent by the consequences of the energy and raw materials crisis.

FirstFarms has been well prepared and is thus well equipped, as a result of the experience we have gained from the COVID pandemic, we have changed our mindset from "just in time" to working more long-term on our value chains.

Therefore, in 2021, we have secured a large part of our input for 2022 to the production for both animals and fields.

We have plans for a 5th business area – green energy. FirstFarms is very aware of the climate and actions of the EU's agricultural reform. Our focus is a circular operation, where all resources are utilised and recycled in the best possible way.

The next natural step – also in the light of the current energy and raw material crisis – is to intensify investment in green energy forms and further circular production.

We want to become more self-sufficient, and we want to sell that excess energy.

We are currently looking at opportunities within biogas, solar cells, heat recycling and other new forms of energy that are constantly under development. We probe and investigate widely, as we have many possibilities in our production.

We see two strings for green energy:

1. Own use of energy – solar, biogas, heat recycling...
It provides easier access to public permits and can thus be initiated quickly.
2. Actual energy production for both own and commercial sales on a larger scale
Permits and their framework conditions are difficult to access and take time, and the actual implementation of the projects is also more protracted.

At our 2 new pig farms in Hungary, solar energy and heat recycling have been incorporated into the projects from the start. During 2023, we will produce 120,000 kWh on solar cells and 3 million kWh on heat recycling, corresponding to approximately 55% of the energy consumption at the two locations.

At FirstFarms, we act on new opportunities that create value for our shareholders, the environment and the outside world. Therefore, we are working on both options, but consider the time horizon to be different.

Part of our DNA is constantly working to create a more sustainable business.

Let me summarise both challenges and potentials.

The energy and commodity crisis has emerged from the war in Ukraine and the consequences of the COVID pandemic, which results in increasing costs that we have sought to cover in the best possible way.

The increasing demand and the increasing prices of food provide a good starting point to cover the rising production costs.

As for operations and the future, we are well prepared, in control and with green energy solutions in our mindset.

Isolated, FirstFarms is in a solid place. Our 2021-result shows that and it is reflected in our expectations for 2022, which I will start now, and which Anders will get more into later.

THE 2021-RESULT

FirstFarms came out of 2021 with the best result since its IPO in 2006.

- We increased our turnover to 370 mDKK – an increase of 57 mDKK
- We delivered an EBITDA of 114 mDKK – and increase of 14 mDKK
- We delivered an EBIT of 70 mDKK, which is 16 mDKK better than the year before
- Profit before tax was 46 mDKK – 15 mDKK better than in 2020

This is a good result, and therefore the Board of Directors has also recommended that dividend payments are made to the shareholders – and distribution of 6.7 mDKK (0.85 DKK per share).

This is the sixth consecutive year of profit growth.

Every year, we experience both opportunities and challenges – which our business model is built to navigate in.

Hvert eneste år oplever vi både muligheder og udfordringer – som vores forretningsmodel er bygget til at navigere i.

- Since 2019, we have experienced COVID and its effects hereof
- In 2020, we had extreme drought in parts of Romania
- In 2021, the bottom went out of the pig prices at the same time as African Swine Fever hits Germany
- And in 2022, we have the war and its consequences.

Our business model can withstand the challenges, and we have been able to seize the opportunities. I'm pleased about that. I therefore consider the 2021 result and the development in the business in the recent years as satisfactory.

The reasons for the 2021 result, as in recent years, are also an effect of primarily three things:

- 1) Risk diversification
That we have four business areas, and we operate in four countries. This is crucial for a good result and a stable business
- 2) Efficiency
We are constantly becoming more and more efficient and circular. This is extremely important for the level of costs – and thus for the earning capacity.
- 3) Management, middle managers and employees
It requires skilled leadership, overview, insight, determination and a pronounced ability to lead the way and motivate if you are to succeed in such difficult and unpredictable markets as FirstFarms operates in.

Anders and his top and middle managers have these skills, and this is crucial for FirstFarms to have as skilled and motivated employees as we have.

On behalf of the Board of Directors, I would therefore like to extend a big thank you for an extraordinary effort in 2021 to all employees of the company.

EXPECTATIONS FOR 2022

We are well into 2022 and the year has started well in terms of revenue and earnings with increasing sales prices.

We therefore expect a good result this year, but it requires that a number of factors comes together in an uncertain and nervous market. Anders will get into this more detailed shortly.

We expect an EBITDA in the level of 80 - 120 mDKK, and an EBIT in the level of 35 - 75 mDKK.

This year, too, we are not deviating from our growth and investment strategy. It is therefore also likely that we will buy up, and as mentioned earlier, we have plans for investments in a fifth business leg – green energy.

In 2021, we strengthened the capital preparedness, and have thus been given significant free funds to invest in growth.

THE DEVELOPMENT IN THE SHARE

Before I give the floor to Anders, I want to briefly talk about the development of the FirstFarms-share as well as the remuneration of management.

The price of FirstFarms' share increased by 10.5% in 2021 from 64.80 at the beginning of the year to 71.60 at the end of the year.

The turnover in the share per business day was in average 295 tDKK in 2021, which is an increase of 11%.

The market has acknowledged our financial statements 2021, so the price yesterday was 85, which is an increase of 19% year to date.

FirstFarms' framework for the remuneration of management and the Board of Directors is set out in the Remuneration Policy and the Remuneration Report.

The bonus awarded to the CEO of the company and the warrants granted are within the framework of the company's policies.

The Board of Directors receives a fixed remuneration, which is stated in both the Annual Report and the Remuneration Report.

Last but not least, I would like to thank FirstFarms' shareholders and other stakeholders for the trust, support and commitment you show the company.

I would also like to thank the rest of the Board of Directors for a good cooperation.

Thank you for your attention.

This report is composed in Danish and English. In case of doubt, in relation to interpretation, the Danish version takes precedence.