

DN AGRAR Group ends the first quarter of 2024 with a turnover of RON 40 million and a net profit of RON 8 million

Press Release

Alba, May 28th, 2024 - DN AGRAR Group (BVB: [DN](#)), the largest integrated livestock farm in Romania, leader in cow milk production, concluded the first quarter of 2024 with a turnover of RON 40 million and a net profit of RON 8 million, despite a 25% decrease in milk prices compared to the first quarter of 2023. Previous strategic investments, including process automation within the farms, supported the 18% increase in milk production in the first quarter and the optimization of production costs, with direct impact on the company's financial results.

Jan Gijsbertus de Boer, Chairman of the Board, CEO, DN AGRAR Group:

"In the first quarter of the year, we achieved notable accomplishments, both operationally, financially, and strategically. The main achievements include the approval of financing for the Straja farm, which will support the doubling of the business over the next four years, the inclusion of DN AGRAR's shares in the MSCI indices, and the continued growth rate in milk deliveries, with over 5 million liters per month.

The strategic investments made in recent years in process automation have been essential in maintaining our competitive advantage and ensuring sustainable productivity. The Straja farm will become partially operational from Q3 2024 and will support the development of the DN AGRAR Group. We are preparing the new farm's operational activity by raising the young cattle at DN AGRAR Prodlact."

Key elements of the profit and loss account and balance sheet in Q1 2023:

- **Operating revenues** remained constant at RON 60 million.
- **Revenues from sold production** were RON 40 million, a decrease of 9%.
- **Operating expenses** saw a slight increase of 3% in the first quarter of 2024 compared to 2023, reaching RON 48 million, due to the reevaluation of some agricultural land.
- **The net profit** obtained was RON 8 million, a decrease of approximately 5% compared to the first quarter of 2023.
- **The total assets** reached RON 316 million as of March 31, 2024, an increase of 3% compared to the end of 2023.
- The level of **total liabilities** remained similar to the end of 2023, with long-term liabilities of RON 96 million and short-term liabilities of RON 77 million as of March 31, 2024.

At the end of March 2024, the livestock owned by DN AGRAR, consisting of dairy cows and young cattle, exceeded 14,500 heads, an increase of 22% compared to the same period in 2023.

The main investment project of DN AGRAR for the period 2024-2027 is the new Straja farm, located near the city of Alba Iulia, where construction has started for a future capacity of 5,000 animals. The project financing was approved during the Extraordinary General Meeting of Shareholders in March 2024. Consequently, the Group will access a credit facility of EUR 9.2 million from Exim Banca Românească for the construction of the farm, as well as for the purchase of equipment and animals. Additionally, DN AGRAR's contribution to this project will be 20.78% and will be funded from its own resources.

The DN AGRAR Group includes 12 companies, including 4 farms whose main activity is dairy cattle breeding (Prodact Farm), dairy cow production (Cut, Lacto Agrar, and Apold Farms), as well as plant agricultural production.

In the field of cereals, the companies within the DN AGRAR Group currently cultivate over 7,000 hectares, located in the counties of Alba, Sibiu, and Hunedoara. The objective is to reach a cultivated area of 10,000 hectares through the acquisition of other farms with plant agricultural and/or livestock production. The yields obtained from the established crops are primarily used to provide food for the company's own farms.

A detailed analysis of the financial results for the first quarter of 2024 can be found [here](#).

About DN AGRAR Group

DN AGRAR Group is the largest integrated zootechnical farm in Romania, with cow milk production and vegetable production. The group operates in the center of Transylvania, in Alba, Sibiu, and Hunedoara counties. The company was founded in 2008 by Jan Gijbertus de Boer and is listed on the Bucharest Stock Exchange, on the AeRO market, since February 2022. As of September 19th, 2022, DN AGRAR shares are included in BETAeRO index of the most traded companies in the SMT Multilateral Trading System. Starting March 1, 2024, DN AGRAR shares are part of the MSCI Frontier IMI and MSCI Romania IMI (Investable Market Indices) indices, in the Small Cap category.

The company's main areas of activity are zootechnics, vegetable agricultural production, agricultural services, logistics, transport, tourism, and business and management consulting services.

More details at <https://dn-agrar.eu>

Facebook: <https://www.facebook.com/DNAGRAR>

Youtube: <https://www.youtube.com/watch?v=GxRW4II1F6c>

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