



Presentation Financial Results 9M 2024

- November 2024 -



DN AGRAR's team





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DN AGRAR STRATEGY & PROJECTS



DN AGRAR - AN OUTSTANDING GROWTH STORY

Market Position

One of Europe's leading milk producers and the largest integrated zootechnical farm in Romania, with cow milk production and vegetable production.

Track Record

Tripled its business since listing

Consistent Growth in EBITDA

~ 60 million liters of milk delivered annually

Sustainable Agriculture

Focus on **sustainable, regenerative agriculture practices** that maximize productivity, reduce environmental impact, and ensure long-term profitability.



Strategy

To double again the business by 2027 supported by operation efficiencies and the development of a new farm.

Target 2028: over 100 million liters of milk produced and delivered annually.



DN AGRAR FARMS LEADING ROMANIAN MILK PRODUCTION

~ 60 million liters of milk are delivered annually



APOLD FARM

- 6,100 dairy cattle & young stock
- 63,000 liters/day
- 400 cows milked/hour



CUT FARM

- 2,200 dairy cattle
- 45,000 liters/day
- 300 cows milked/hour



LACTO AGRAR FARM

- 4,000 dairy cattle & young stock
- 53,000 liters/day
- 350 cows milked/hour



PRODLACT FARM

- 2,400 young stock animals
- Raising young cattle for Apold and Cut farms





ACTIVITY IN THE CAPITAL MARKET RECOGNIZED INTERNATIONALLY

Listed on the Bucharest Stock Exchange, AeRO market since **February 2, 2022**

Market capitalization of EUR ~50 mil

The company with the **largest weight in the BETAeRO index**

Shares included in the **MSCI Frontier Small Cap and MSCI Romania Small Cap indices**

2 analysts covering the share, both highlighting an upside

Recognition



- **10** at VEKTOR by ARIR evaluation
- DN AGRAR has been **nominated for IR Magazine Europe Awards 2024**
- DN AGRAR **became ARIR's Associate Member**
- Performance recognized at GALA BY ARIR 2024 with the following awards:
 - **Best IR Department**
 - **Best Annual Report**
 - **Best Company Representative in the Capital Market**
 - **Best ESG Performance & Communication**



Analysts covering DN share – latest updates



- **Prime Transaction** – October 21, updated target price 1.7683 RON
- **BRK Financial Group** – August 7, updated target price 1.746 RON, BUY recommendation



STRONG PERFORMANCE IN THE CAPITAL MARKET

Strong Share Performance

+125% share price performance vs listing*

+53% share price performance YOY** (Sept 2024 vs Sept 2023)

Top 3 performances YOY**



Shareholders Evolution

117 shareholders in **2022** → **3,000** shareholders in **2024**



*considering the closing price from 18.11.2024

**Sept 2024 vs Sept 2023

2

9M 2024 RESULTS & OUTLOOK





9 MONTHS RESULTS – CONTINUED STRENGTHENING OF EBITDA

TURNOVER

RON 126.79 mil.

+9.32%

Vs 9M 2023



NET PROFIT

RON 21.08 mil.

-5.65%

Vs 9M 2023



EBITDA

RON 50.02 mil.

+7.59%

Vs 9M 2023



NET ASSETS

RON 258.39 mil.

+11.73%

Vs 31.12.2023



TOTAL ASSETS

RON 343.78 mil.

+11.64%

Vs 31.12.2023



EQUITY

RON 154.22 mil.

+15.66%


Vs 31.12.2023







FACTORS THAT INFLUENCED THE 9 MONTHS RESULTS


 **Increase in turnover by 9%**


 **The increase of expenses related to raw materials by 5%**


 **Current result adjustments**

 **Granting subsidies that decreased by 8%**

 **The increase of personnel expenses by 10%**

 **The increase in corporate income tax expenses by 23%**

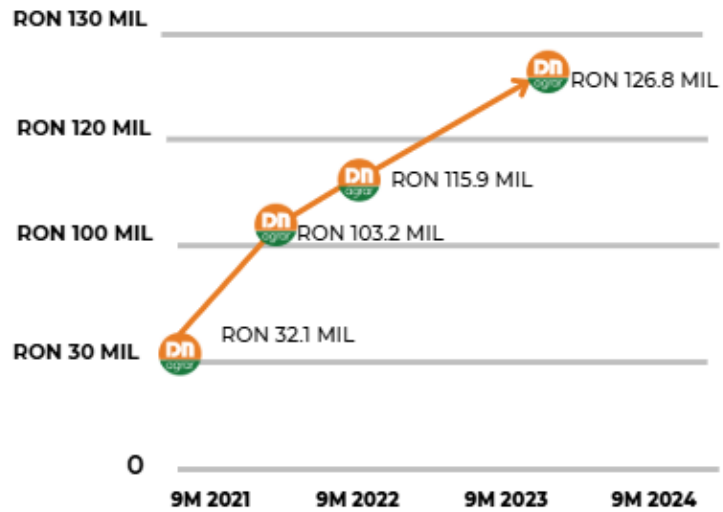
 **Increase in revenue from production of tangible fixed assets**

 **The increase in depreciation by 20%**

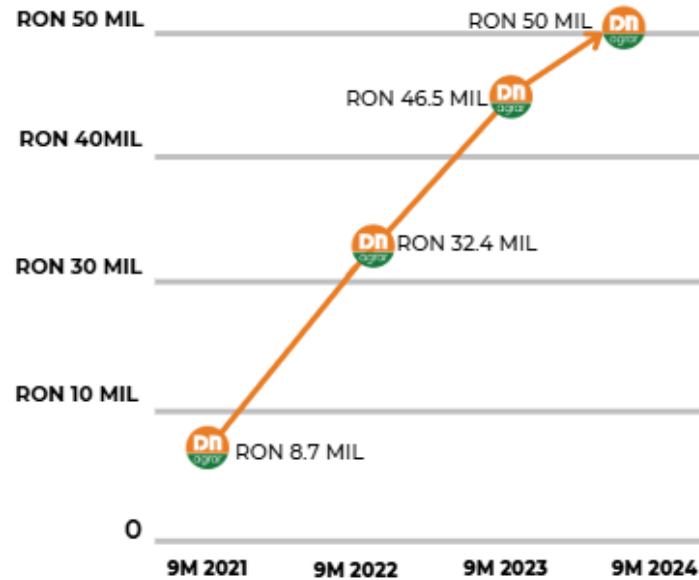


KEY PERFORMANCE INDICATORS EVOLUTION - CONTINUED GOWING

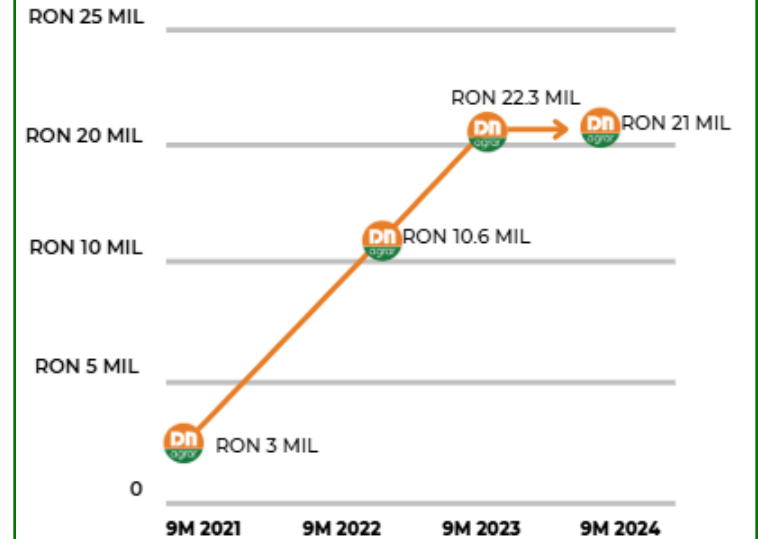
TURNOVER



EBITDA



NET PROFIT





FINANCIAL RESULTS HIGHLIGHTS 9 MONTHS 2024



Operating revenues amounted to RON 193 million, an increase of 7% compared to the same period last year.



Operating expenses increased by 10% as of September 30, 2024, reaching RON 162 million. The main contribution came from expenses related to value adjustments for tangible and intangible assets, which amounted to RON 19 million, a 20% increase compared to the same period last year.



Revenues from the production of tangible fixed assets saw a 136% increase, reaching RON 14 million. This growth occurred as a result of the registration of young dairy cows, which entered the milk production process, as fixed assets.

PROFIT AND LOSS ACCOUNT (RON)	30/09/2024	30/09/2023	Δ%
OPERATING INCOME - TOTAL	193,492,036	180,897,789	6.96%
OPERATING EXPENSES - TOTAL	161,949,913	147,741,472	9.62%
OPERATING PROFIT OR LOSS	31,542,122	33,156,316	(4.87)%
FINANCIAL INCOME - TOTAL	864,875	1,714,238	(49.55)%
FINANCIAL EXPENSES - TOTAL	6,556,988	8,329,025	(21.28)%
FINANCIAL PROFIT OR LOSS	(5,692,113)	(6,614,787)	(13.95)%
GROSS PROFIT OR LOSS	25,850,009	26,541,529	(2.61)%
GROUP NET PROFIT OR LOSS	21,077,699	22,339,132	(5.65)%



THE MAIN ELEMENTS OF THE BALANCE SHEET



Equity increased by 16% compared to December 31, 2023, reaching RON 154 million. This increase was driven by the recording of a net profit of RON 21 million as of September 30, 2024.



Long-term liabilities registered an increase compared to the end of 2023, so as of September 30, 2024, the balance of long-term liabilities reached RON 103 million.



Provisions decreased by 96% compared to the end of 2023, reaching RON 17 thousand as of September 30, 2024.



Compared to the end of 2023, there was an increase in long-term loans contracted from Exim Bank by RON 25 million, a 226% rise, as a result of a financing agreement of EUR 9.2 million, contracted in April 2024 for the construction project of the DN AGRAR Straja farm, as well as a refinancing carried out for the loans from ING Bank.

BALANCE SHEET INDICATORS (RON)	30/09/2024	31/12/2023	Δ%
FIXED ASSETS - TOTAL	235,554,061	212,141,058	11.04%
CURRENT ASSETS - TOTAL	105,722,073	94,362,606	12.04%
DEFERRED EXPENSES	2,507,418	1,441,310	73.97%
TOTAL ASSETS	343,783,552	307,944,974	11.64%
DEBTS: AMOUNTS TO BE PAID WITHIN UP TO ONE YEAR	85,248,150	76,397,539	11.58%
DEBTS: AMOUNTS TO BE PAID IN MORE THAN ONE YEAR	102,538,384	95,954,744	6.86%
PROVISIONS	16,815	385,892	(95.64)%
DEFERRED REVENUES	1,762,560	1,867,001	(5.59)%
DEBT - TOTAL	187,786,534	172,352,283	8.96 %
EQUITY - TOTAL	154,217,643	133,339,798	15.66%
TOTAL EQUITY AND DEBT	343,783,552	307,944,974	11.64%

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OPERATIONAL ACTIVITY



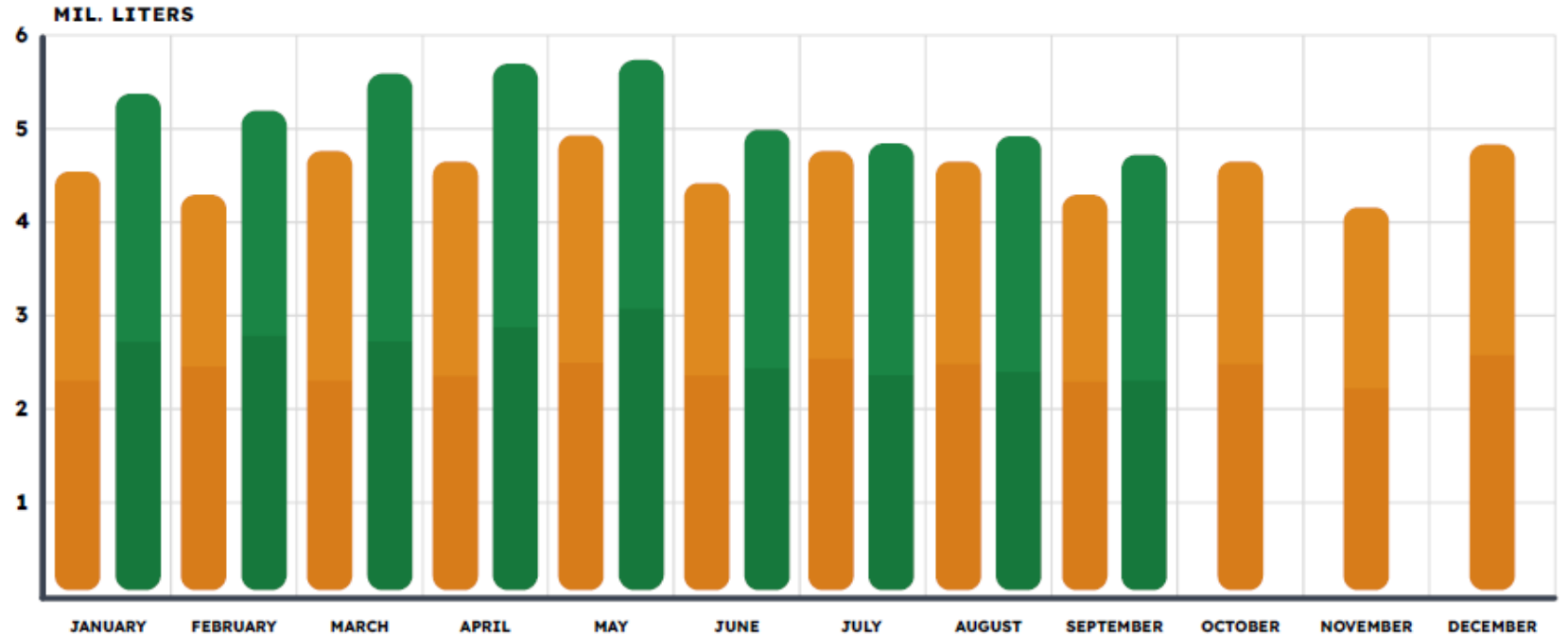


CONSISTENT GROWTH IN MILK DELIVERIES



9 MONTHS 2023
9 MONTHS 2024

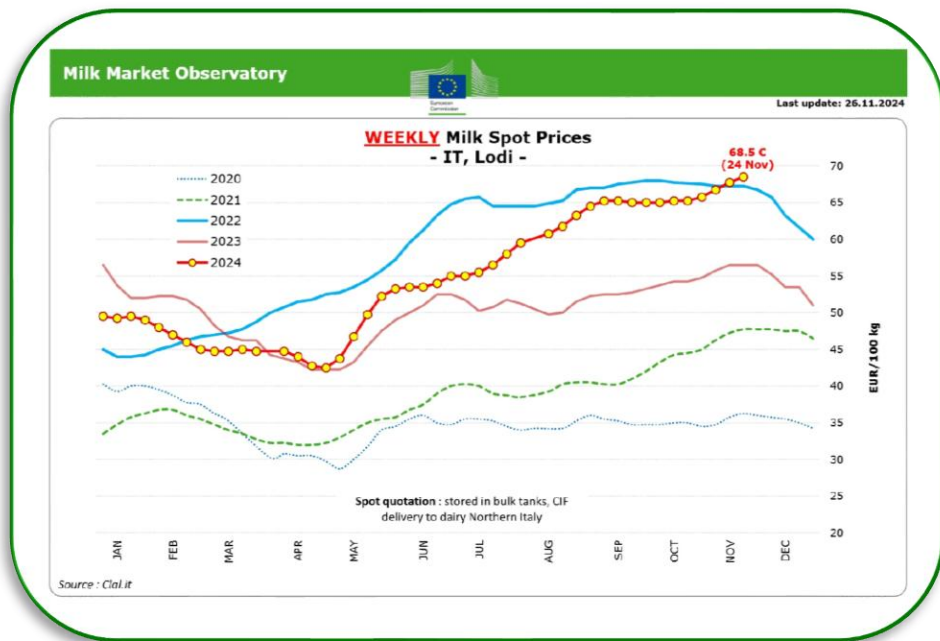
EVOLUTION OF MILK DELIVERED 9 MONTHS 2024 VS 9 MONTHS 2023



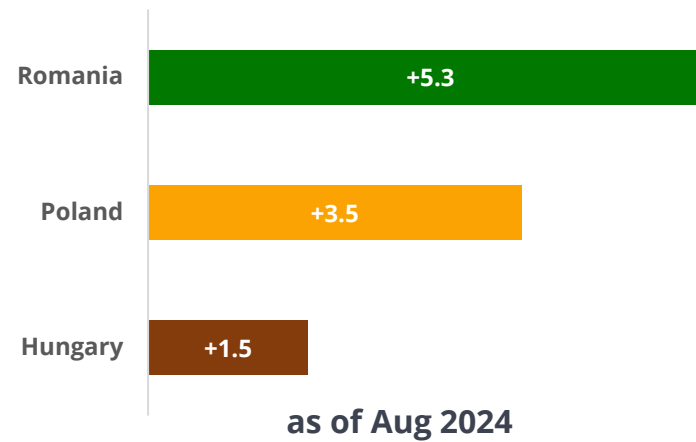
🐄 By maintaining a sustained pace of production and delivery, we recorded **a monthly average of 5 million liters of milk deliveries** in the first 9 months of this year.

🐄 **60 million liters of milk** to be delivered in 2024.

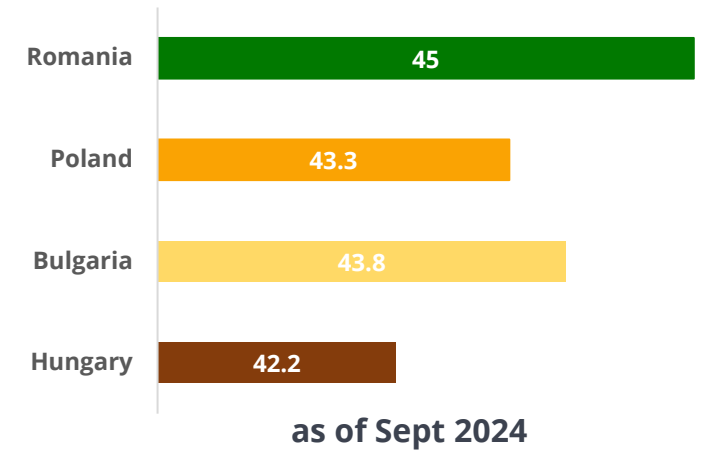
European milk market



Amount of milk collected at the regional level, %



Price of milk at the region level c/kg



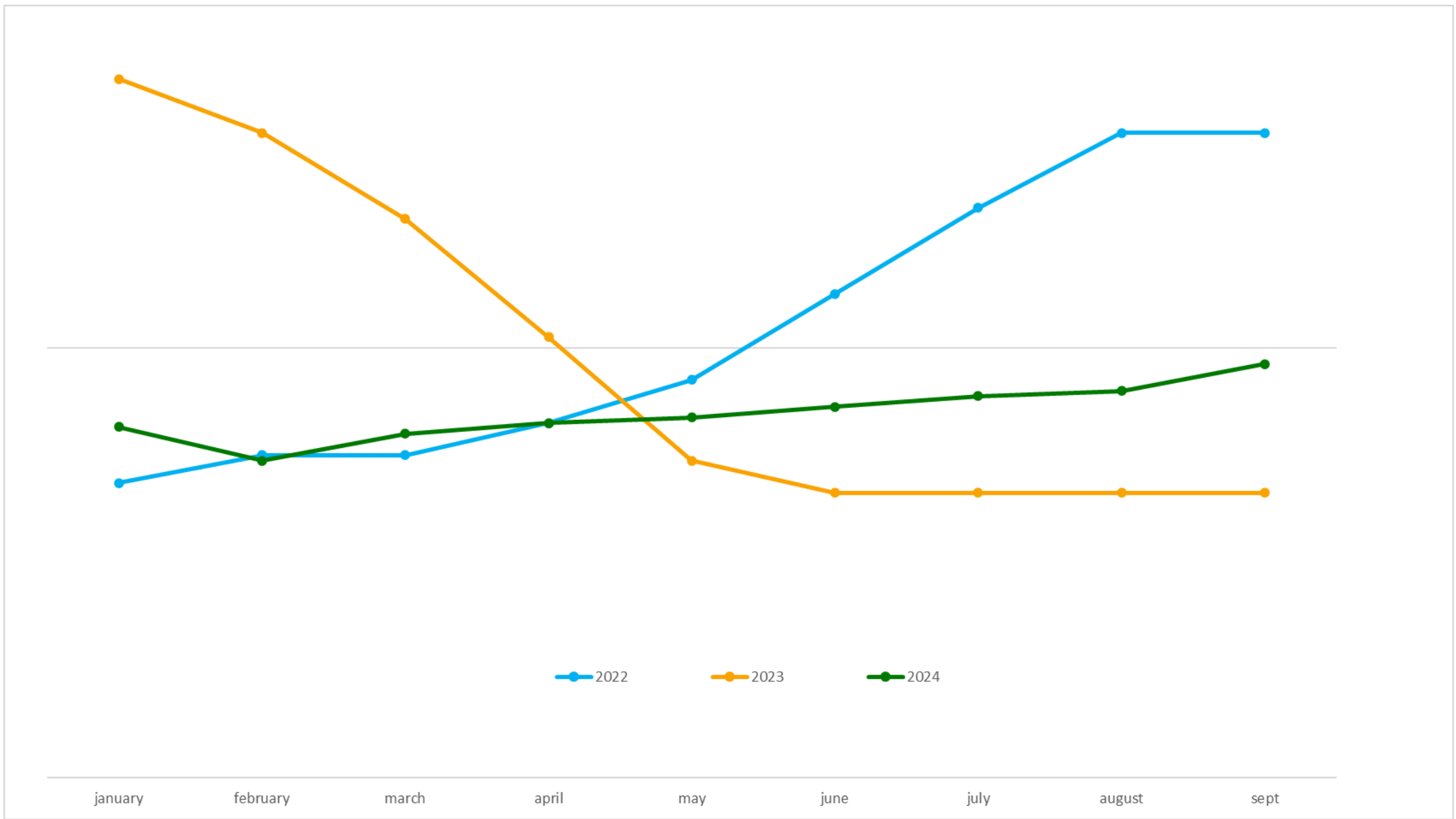
*https://agriculture.ec.europa.eu/data-and-analysis/markets/price-data/price-monitoring-sector/milk-and-dairy-products_en

*Source: <https://agriculture.ec.europa.eu/>



DN AGRAR MILK PRICE 9M EVOLUTION

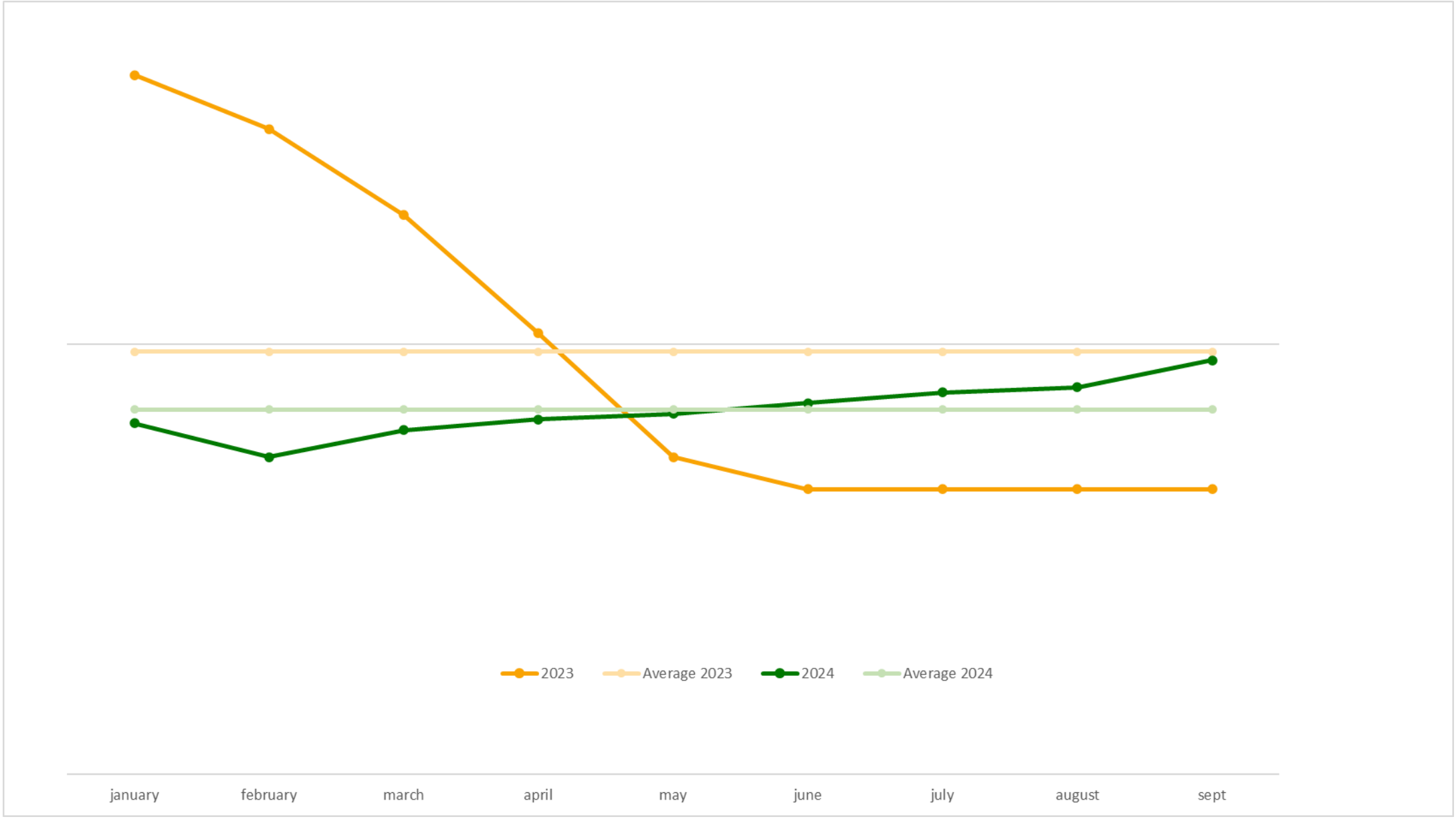
Stabilization of prices as the market adjusts and stable demand





DN AGRAR MILK PRICE 9M EVOLUTION

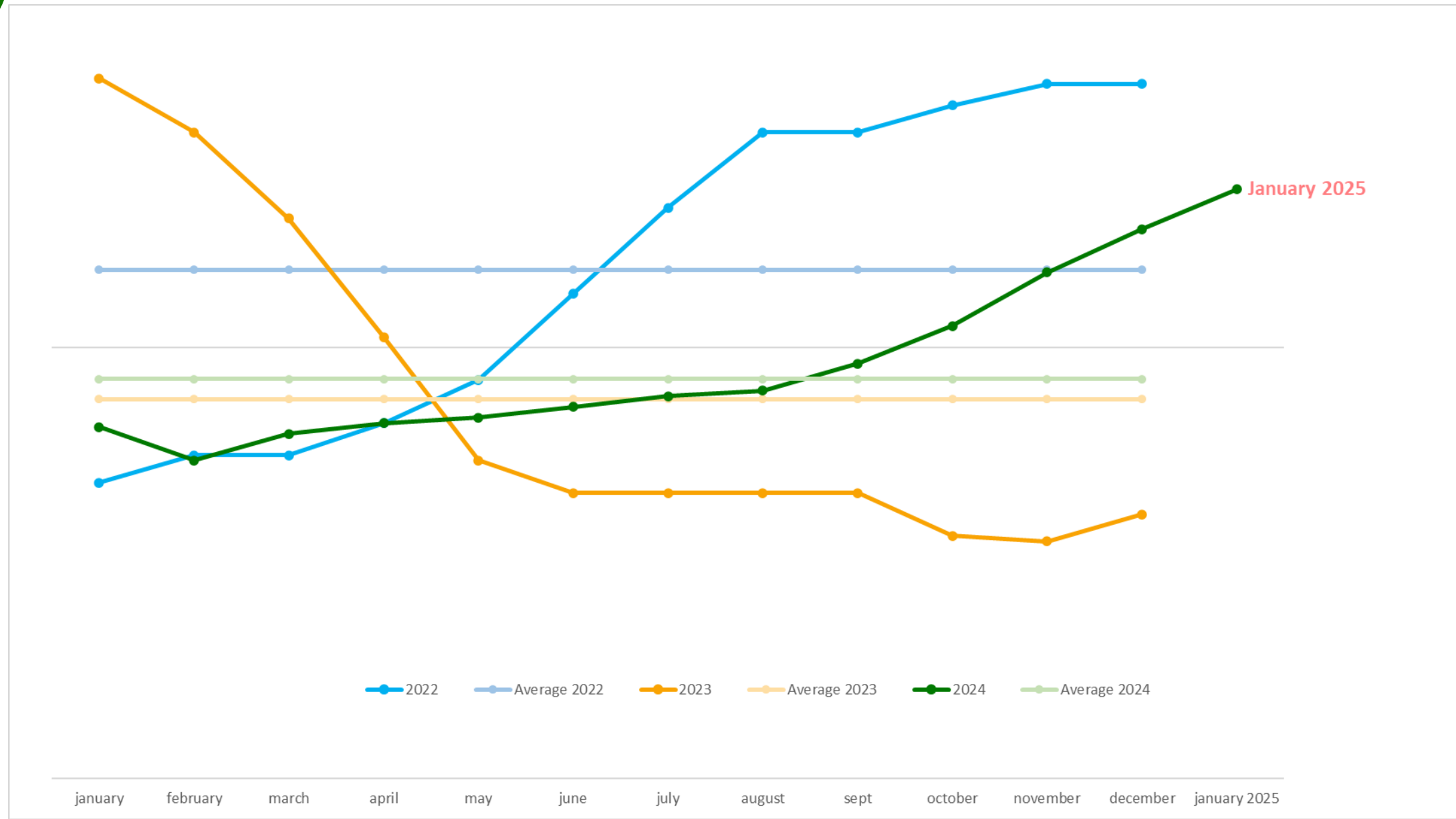
Stabilization of prices as the market adjusts and stable demand





OUTLOOK OF DN AGRAR MILK PRICE

Stabilization of prices as the market adjusts and stable demand





DN AGRAR CEREAL PRODUCTION EVOLUTION – SUSTAINABLE GROWTH

Lucerne:

- ✓ 580 ha harvested
- ✓ 4 harvests, with a production of 22,33 tons/ha

Triticale silage (main crop):

- ✓ 1500 ha harvested
- ✓ Production of 31,27 tons/ha vs. 22,74 tons/ha in 2023 - **increase of 38%**

Maize silage (main crop):

- ✓ 1900 ha harvested
- ✓ Production of 29 tons/ha vs. 24 tons/ha in 2023 - **increase of 21%**



The use of **No-tillage technology** in the cultivation process and its benefits

Protects the soil and reduces erosion

Produces better quality soil

Saves insects and Microorganisms

Contributes to the battle against the climate changes

4

DN AGRAR PROJECTS





A Clear and Achievable Vision

**Building a
Major
European Milk
Producer**

**Over 300.000 liters
per day**

**The 4 farms will
produce over 100
million liters of
milk annually**

**A herd of approx.
20.000 dairy cows
and young stock**

**Strategic
Projects**

**Straja farm project
to be finalized in 2027**

**Compost plant
started operations
in 2024**

**Biomethane facility
planned**



DN AGRAR FARMS 2027/2028

~ 100 million liters of milk will be delivered annually

STRAJA FARM

- 3,800 dairy cattle
- 1,200 young stock
- 100,000 liters/day
- 600 cows milked/hour

Acquisition FARM

- dairy cattle
- liters/day
- cows milked/hour

CUT FARM

- 2,200 dairy cattle
- 50,000 liters/day
- 300 cows milked/hour

APOLD FARM

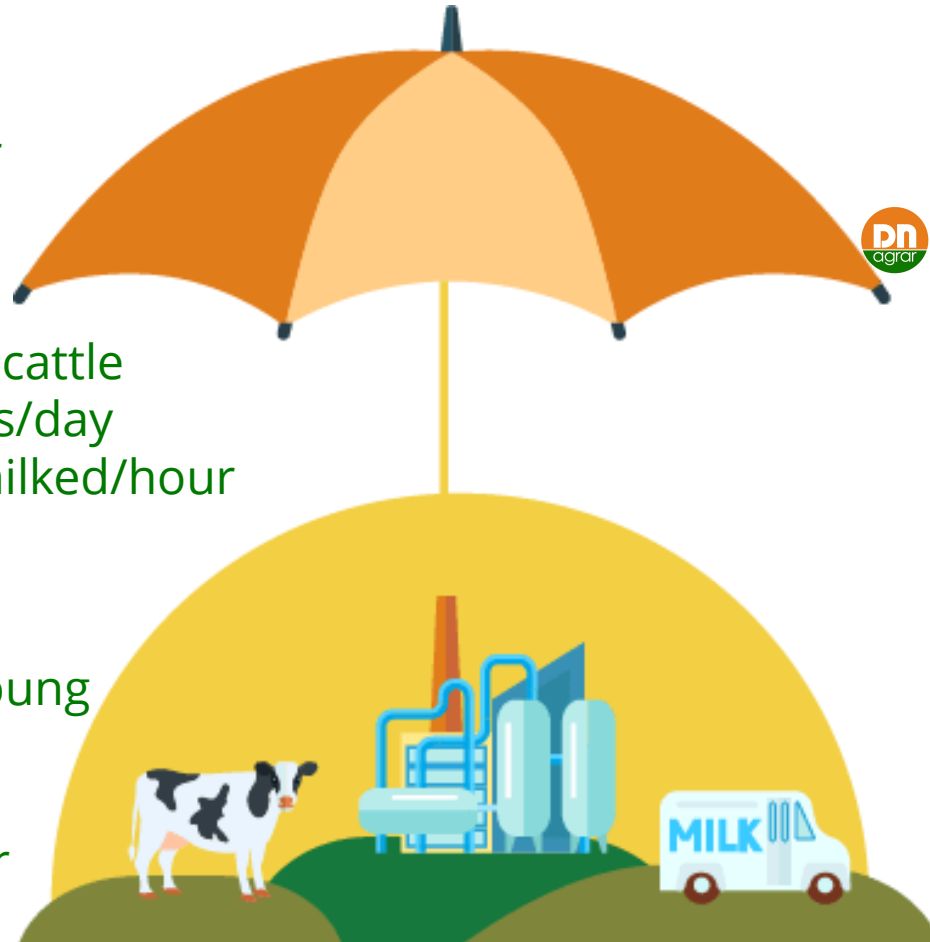
- 5,500 dairy cattle + young stock
- 100,000 liters/day
- 400 cows milked/hour

LACTO AGRAR FARM

- 4,000 dairy cattle + young stock
- 63,000 liters/day
- 350 cows milked/hour

PRODLACT FARM

- Over 3,300 young stock animals
- Raising young cattle for Apold and Cut farms





STRAJA PROJECT - A SIGNIFICANT EXPANSION IN PRODUCTION

Key Highlights:

- Started in 2023, planned to be completed in 2027
- Capacity of 5,000 cows (3,800 dairy cows and 1,200 young stock)
- Financed through credit facility and own sources
- The first milking operations at the Straja farm are scheduled for the beginning of 2025
- By this time, the farm will have 1,120 productive cows, and the first milking parlor will be fully operational

2025: Approx. 1,700 cows in production & pregnancy



The foundation for the first rotary parlor was poured, with installation scheduled for early December, and progress has been made on the construction of barns to hold 1,120 animals, which will be equipped as work progresses. This phase represents one-third of the total project.

2026: Approx. 3,400 cows in production & pregnancy



2024: The foundation works were completed and part of the main hall, along with the waste storage lagoon



2027: Approx. 5,000 cows in production & pregnancy



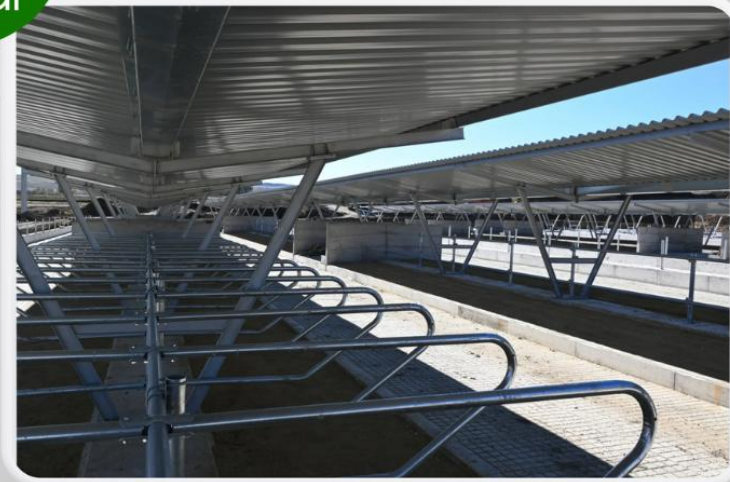


STRAJA PROJECT CURRENT STATUS





STRAJA PROJECT CURRENT STATUS





COMPOST FACTORY TO STRENGTHEN THE CIRCULAR ECONOMIC MODEL



Investment of EUR 1.8 million

The project addresses two major challenges:

- 1. efficient manure management and improved soil fertility**
- 2. contribution to the reduction of greenhouse gas emissions**

Operational Highlights

- **Integrated organic waste management system**
- Operations started in November 2024
- **21,000 tons** of manure processed annually
- Production of over **7,000 tons of organic fertilizer**
- Use the organic fertilizers produced for internal needs and to sell outside the Group
- The process of **certifying fertilizers as organic** typically takes 3 - 6 months

Further Developments

- The process of obtaining **voluntary carbon certificates** started
- Build **the sales channel** to develop the business line
- Advance with the certification process **to achieve the international "Gold Standard" accreditation for carbon credit**



Cooperation agreement for the largest biomethane production facility in Romania with BSOG Energy

This project aligns with DN AGRAR's mission to lead sustainable agriculture.

Operational Highlights

- Production facility with a total capacity of up to 15 MW
- DN AGRAR will supply the raw material for the biomethane production
- BSOG Energy will develop the production facility

Further Developments

- Project execution is expected to take over 2 years from the signing of the final agreement
- The overall investment in the facility is estimated to around EUR 30 million
- Based on a 15-year contract of approx. 50 million EURO, the expected yearly revenues for DN AGRAR will be between EUR 3 - 3.5 million



CONTACT INVESTOR RELATIONS

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QUESTIONS

1. When will the Straja farm be fully populated so that it can operate at maximum production parameters?
2. When does the activity in Straja farm start?

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to keep up to date with our work.

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