

2024



3rd QUARTER REPORT

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The consolidated financial results give a true and fair view of the assets, liabilities, financial position, income and expenses of DN AGRAR GROUP S.A., as required by applicable accounting standards.

The Management Report provides a true and fair view of the significant events that occurred in the first 9 months of 2024 and their impact on the consolidated financial results of the company.

Issuer Information

Information about this Financial Report

Type of report	Report Quarter 3 2024
For the financial year	01.01.2024 – 30.09.2024
Legal framework	Annex 13 to ASF Regulation No. 5/2018
Report date	26.11.2024

Information about the Issuer

Name	DN AGRAR Group S.A.
Tax code	24020501
Commercial Register registration number	J01/730/2008
Registered office	Alba-Iulia, Piața Iuliu Maniu Street, No. 1, Bl. 31DE, Alba County, ROMANIA

Information about the securities

Subscribed and paid-up share capital	RON 31.818.844,80/EUR 6.396.261,97 (BNR exchange rate of June 28th, 2024 - 4.9771 RON/EUR)
Market on which securities are traded	MTS AeRO Premium
Key features of securities issued by the company	159.094.224 ordinary shares
Symbol	DN

Contact

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ABOUT US

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PRESENTATION OF DN AGRAR 18



Q&A cu Jan G. de Boer, CEO DN AGRAR



1. What are the main achievements of the DN AGRAR Group in the first 9 months of this year?

DN AGRAR's approach to managing financial performance focuses on strategic investments, operational efficiency, and adaptability to market conditions. The company's ability to respond to market dynamics, including the volatility of the dairy market and regulatory requirements, highlights our commitment to maintaining a strong financial position and delivering long-term value to stakeholders. Key achievements include strengthening our market position and achieving solid operational and financial results. Increasing our livestock to approximately 15,000 head and production optimization has led to a 14% increase in milk deliveries in the first 9 months of 2024.

Investments in modernization, digitalization, and automation, including the installation of robots at the Lacto Agrar and Cut farms, have significantly enhanced operational efficiency. The financial results reflect the effectiveness of these strategies. In the first 9 months, we achieved a turnover of 127 million RON, an increase of 9% compared to the same period last year, and a net profit of 21 million RON.

2. Can you detail the company's operational activity's evolution and main challenges this year?

The high temperatures during the summer slightly reduced milk production, which is a normal phenomenon, as cows tend to produce less milk

during heat waves. However, the increase in herd size allowed us to maintain an average delivery level of approximately 5 million liters of milk per month. The sector is facing climate changes, and a key component of a dairy farm is feed security. We manage to provide 90% of the feed from our own production, with the Transylvania region being less affected by drought.

Regarding the established crops, we have implemented several measures to manage climate risks, maintain optimal soil quality, and reduce pesticide use. We monitor vegetation development via satellite to identify any crop health issues early. Additionally, we use drones for targeted pest detection, allowing us to minimize pesticide usage. We have been using this technology for two years and have achieved excellent results. Due to favorable weather conditions this year, production has increased by 21% for main crop silage corn and by 38% for silage triticale, compared to 2023. The results obtained indicate a significant positive correlation between near-optimal harvest conditions and crop yield, which is a key factor in increasing agricultural production.

3. What are DN AGRAR's expectations regarding the market in which it operates for the last part of the year?

The market in which we operate is characterized by volatility, influenced by various factors that put pressure on producers, including macroeconomic factors. According to available data, raw milk imports by processing units increased by 42.6% in

the first nine months of this year compared to the same period last year, while the amount of cow's milk collected by these units saw a growth of 3.5% over the same period, according to the National Institute of Statistics. In the local market, the price of milk remains below the European average, and going forward, we anticipate a price increase as the market adjusts and demand remains steady. At DN AGRAR, we closely monitor market developments and adapt our strategies to maintain competitiveness and operational efficiency in this dynamic environment.

4. What is the impact of newly adopted technologies and automation on daily operations and overall efficiency?

Our strategy is based on integrating sustainable practices across our operations, from milk production to grain cultivation. New technologies have had a significant impact on daily operations and efficiency at DN AGRAR. Process automation, especially in milking, has reduced the need for manual labor, by delegating the repetitive tasks to industrial robots, allowing teams to focus on higher value-added activities. This has helped us increase productivity, improve animal health monitoring, and optimize feeding and care processes. By implementing these advanced technological solutions, we have been able to enhance operational efficiency and to reduce the manual labor by 50%, for specific activities involved in the milking process.

Digital monitoring and data analysis systems allow us to quickly identify and address any issues, leading to continuous performance improvement.

DN AGRAR - Landmarks 9 MONTHS 2024



Closing price
of shares
30.09.2024

↑
**RON
1.50**
+53.37%
VS
29.09.2023

↑
TURNOVER
**126.79
MIL. RON**
(25.48 MIL. EUR)
+9.32%
VS
9 MONTHS 2023

↓
NET PROFIT
**21.08
MIL. RON**
(4.24 MIL. EUR)
-5.65%
VS
9 MONTHS 2023

↑
EBITDA
**50.02
MIL. RON**
(10.05 MIL. EUR)
+7.59%
VS
9 MONTHS 2023

↑
TOTAL ASSETS
**343.78
MIL. RON**
(69.09 MIL. EUR)
+11.64%
VS
31.12.2023

↑
**FIXED
ASSETS**
**235.55
MIL. RON**
(47.34 MIL. EUR)
+11.04%
VS
31.12.2023

↑
EQUITY
**154.22
MIL. RON**
(30.99 MIL. EUR)
+15.66%
VS
31.12.2023

DN AGRAR - Landmarks 9 MONTHS 2024

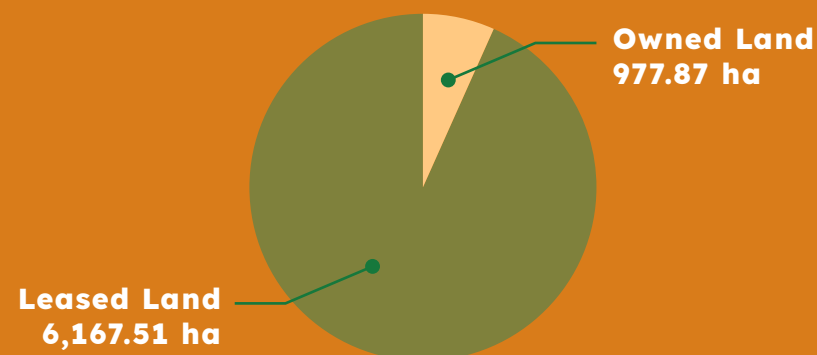


Quantity of
milk delivered in
9 MONTHS 2024

↑
14%
VS
9 MONTHS 2023



Total Area - 7,145.38 ha



CULTURES

Maize

Triticale

Alfalfa

Wheat

Barley

Sunflower

Peas

Grass mixture

Factors that influenced the consolidated financial figures

The increase in the turnover

In the first 9 months the turnover increased with 9% compared with the similar period in 2023, due to the increase in the quantity of milk produced and sold. This performance was supported by an increase in milk production and sales, reaching 47 million liters, a 14% increase compared to the same period last year, when DN AGRAR farms produced 41 million liters of milk.

This increase in milk production was possible as a result of the increase in the number of animals - dairy cows - on all farms.

Increase in revenue from production of tangible fixed assets

Starting with 2024, a more accurate way of allocating costs in the livestock sector to the categories of raw milk and young cattle was established - a fact maintained also during the period July-September 2024. In the 3rd quarter of 2024 an increase in fixed assets production and a decrease in income related to the cost of production in progress were observed, a fact explained by:

a. an increase in the number of fixed assets - dairy cows - from young cattle of own production.

b. ongoing investments for vegetable crops for the agricultural year 2025 (the technology applied to DN AGRAR crops has changed compared to the same period of the previous year - we switched from Minimum-till technology to No-till technology (for the majority of the cereal crops) and for spring crops we switched from classic technology to Minimum-till technology (without deep soil work). These investments aim to reduce future costs.

Granting subsidies

Within subsidies, we observe a decrease due to the following factors:

a. The estimated subsidies for 2024 do not mention the subsidies for exceptional aid due to the aggression of the war in Ukraine - for which there is no relevant information on granting in this regard from the authorities, therefore no amounts were recorded.

b. On the other hand, APIA made recalculations that impacted the subsidies granted for zootechnical activity and led to a reduction of RON 825 thousand of the total amount of subsidies that were granted in 2023.

The increase of expenses related to raw materials

Expenses for raw materials in the livestock sector also increased with 5% due to both the increase in global prices and the increase in the number of animals.

Factors that influenced the consolidated financial figures

The increase of personnel expenses

Salary expenses increased with 10% in the first 9 months 2024 compared with the similar period in 2023 as a result of the increase in salaries, along with the increase in the value of meal vouchers from 15 RON/piece to 30 RON/piece.

The personal expenses increased also as a result of the change in tax facilities in agriculture plus new taxes for meal vouchers in 2024 as health contribution is paid in addition.

The increase in depreciation

Accounting depreciation increases in the first 9 months in 2024 with 20% due to the revaluation of constructions at the end of 2023, in the sense of increase. This automatically led to an increase in monthly depreciation expenses, this fact influences the company's result in the sense of decrease.

The increase in depreciation is also influenced by the increase in the number of dairy cows (fixed assets) compared to the similar period of the previous year. In the first 9 months of 2024 registered an increase by 8%, compared with the similar period of 2023.

Current result adjustments

At the end of 2022, for reasons of prudence, the company recorded provisions (for plant production in stock at the end of the year) being a dry year (pedological drought), thus recording a low plant production, with higher production costs.

In the 3rd quarter of 2023, as a result of the consumption of the respective production, the provisions initially established were resumed to revenues. (RON 1.7 million).

In contrast, the year 2023 was a normal year, without extreme phenomena, so that a production close to the estimate was obtained, not being necessary to record provisions for the production in stock at the end of 2023.

For the year 2024, up to now, we estimate a normal year, without significant deviations in the field of Agricultural crops (cereals).

That is the reason why the revenues from provisions were higher in 2023 compared to 2024.

The increase in corporate income tax expenses

The calculated profit tax registered an increase in the first 9 months of 2024 by 23% compared with the similar period of 2023, influenced by the revaluation of constructions in December 2023.

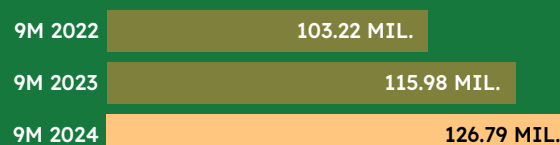
DN AGRAR - Landmarks 9 MONTHS 2024

Analysis of the profit and loss account at consolidated level

NET TURNOVER

126.79 MIL. RON

+9.32%
vs 9 MONTHS 2023



OTHER OPERATING EXPENSES

29.32 MIL. RON

+12.21%
vs 9 MONTHS 2023



OPERATING INCOME TOTAL

193.49 MIL. RON

+6.96%
vs 9 MONTHS 2023



ADJUSTMENTS REGARDING PROVISIONS

369.08 MIL. RON

+12.61%
vs 9 MONTHS 2023



PERSONNEL EXPENSES

20.11 MIL. RON

+9.88%
vs 9 MONTHS 2023



OPERATING EXPENSES – TOTAL

161.95 MIL. RON

+9.62%
vs 9 MONTHS 2023



ADJUSTMENTS REGARDING TANGIBLE AND INTANGIBLE ASSETS

18.61 MIL. RON

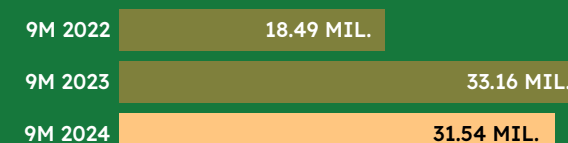
+20.34%
vs 9 MONTHS 2023



OPERATING PROFIT

31.54 MIL. RON

-4.87%
vs 9 MONTHS 2023



DN AGRAR - Landmarks 9 MONTHS 2024

Analysis of the profit and loss account at consolidated level

FINANCIAL INCOME - TOTAL

864.88 K RON

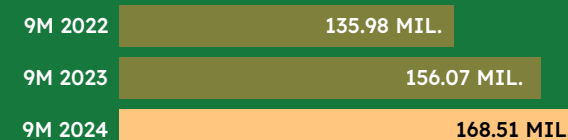
-49.55%
vs 9 MONTHS 2023



TOTAL EXPENSES

168.51 MIL. RON

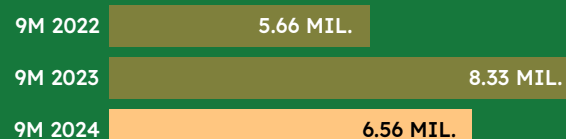
+7.97%
vs 9 MONTHS 2023



FINANCIAL EXPENSES - TOTAL

6.56 MIL. RON

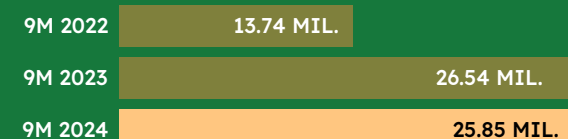
-21.28%
vs 9 MONTHS 2023



GROSS PROFIT

25.85 MIL. RON

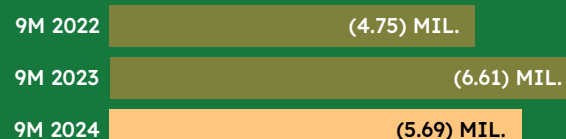
-2.61%
vs 9 MONTHS 2023



FINANCIAL LOSS

(5.69) MIL. RON

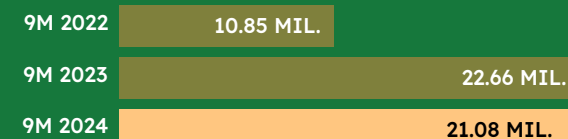
-13.95%
vs 9 MONTHS 2023



NET PROFIT OF THE FINANCIAL YEAR

21.08 MIL. RON

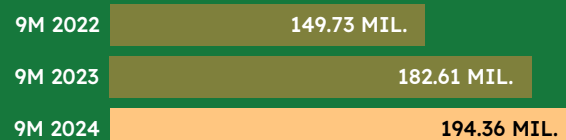
-7.01%
vs 9 MONTHS 2023



TOTAL INCOME

194.36 MIL. RON

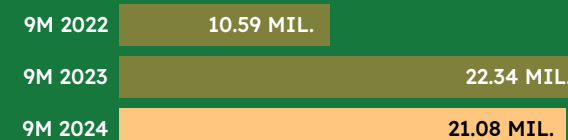
+6.43%
vs 9 MONTHS 2023



NET PROFIT ATTRIBUTABLE TO THE GROUP

21.08 MIL. RON

-5.65%
vs 9 MONTHS 2023



KEY EVENTS 2024

JANUARY

DN AGRAR published key operational indicators for 2023.

13.76%
INCREASE IN
MILK DELIVERED
IN 2023

DN AGRAR informed the market about the **approval of the share capital increase** for the companies DN AGRAR Bio S.R.L. and DN AGRAR Greenfield S.R.L. within the group.



FEBRUARY

DN AGRAR convened AGEA to approve Straja farm funding.



EUR 9.2 million
credit facility from Exim
Banca Românească and
co-financing, to **double the**
business by the end of 2027.

MARCH

DN AGRAR shares have been included in the

- **MSCI Frontier IMI** and
 - **MSCI Romania IMI**
- indexes in the Small Cap category since March 1st.



DN AGRAR shareholders **approved the financing** of the Straja project.



KEY EVENTS 2024

APRIL

DN AGRAR has published the key **operational indicators** for Q1 2024.

**18% INCREASE
IN THE AMOUNT OF MILK
DELIVERED IN Q1 2024**

DN AGRAR shareholders approved the financial statements for 2023.

DN AGRAR published
THE ANNUAL REPORT
for 2023.



JUNE

DN AGRAR was nominated for the category **"Best Retail Investor Relations Strategy"**, at the IR Magazine Europe Gala, which took place in London.

Prime Transaction published an updated analysis report for DN AGRAR stock.



MAY

DN AGRAR published **the Report for Q1 2024.**

On May 30th, DN AGRAR organized **the Teleconference** to present the financial results for the 1st quarter of 2024.



DN AGRAR joined the **Romanian Association for Investor Relations**, as an **Associate Member.**

KEY EVENTS 2024

JULY

DN AGRAR published the key **operational indicators** for H1 2024.

**17% INCREASE
IN MILK DELIVERED
IN 9 MONTHS 2024.**



DN AGRAR published its **SUSTAINABILITY REPORT** for 2023.



AUGUST

DN AGRAR announced the **purchase of electricity** for a period of 1 year through the Romanian Commodities Exchange.



2024



DN AGRAR published
**THE REPORT
FOR H1 2024.**

On August 29th, the company organized a **Teleconference to present the financial results for H1 2024.**



SEPTEMBER

DN AGRAR INVESTED
**OVER EUR 300,000
IN NEW TECHNOLOGIES,
BASED ON NO-TILL PRINCIPLES.**



What did the first 9 months of 2024 mean for DN AGRAR?

January

DN AGRAR published key operational indicators for 2023

In 2023, a challenging year in terms of the quantity of milk delivered by DN AGRAR farms, there was a 13.76% increase compared to 2022.

DN AGRAR informed the market about the approval of the share capital increase for the companies DN AGRAR Bio SRL and DN AGRAR Greenfield SRL within the group

DN AGRAR informed shareholders and investors about the approval of the share capital increase for the group companies DN AGRAR Bio SRL and DN AGRAR Greenfield SRL, by converting the receivables, held by DN AGRAR Group SA, into shares, as follows:

1. Within DN AGRAR Bio SRL, by the Resolution of the Board of Directors of DN AGRAR Group S.A., number 1 of 22.01.2024, increasing the share capital, the shareholder DN AGRAR Group S.A. will receive a number of 20,711 shares, with a nominal value of RON 10 and a total value of RON 207,110, representing 28.79% of the share capital of DN AGRAR Bio S.R.L.

2. Within DN AGRAR Greenfield S.R.L., by the Resolution of the Board of Directors of DN AGRAR Group S.A., number 2 of 22.01.2024, increasing the share capital, the shareholder DN AGRAR Group S.A. will receive 5,819 shares, with a nominal value of RON 10 and a total value of RON 58,190, representing 13.25% of the share capital of DN AGRAR Greenfield S.R.L.

February

DN AGRAR convened AGEA to approve Straja farm funding

For this new project, DN AGRAR has proposed to access a credit facility of **EUR 9.2 million** from Exim Banca Românească SA, amount which will be used **for the development of the new farm, the purchase of equipment and the purchase of animals.**

DN AGRAR will also provide 20.78% from its own sources for this project.

March

DN AGRAR shares have been included in the MSCI indexes

Starting with March 1st, 2024, DN AGRAR shares have been included in the MSCI Frontier IMI and MSCI Romania IMI indices, in the Small Cap category.

MSCI is one of the leading providers of benchmark indices globally. Romania is currently classified by MSCI as a Frontier Market.

DN AGRAR shareholders approved the financing of the Straja project

On 12.03.2024, the Extraordinary General Meeting of Shareholders was held and the shareholders approved the financing of the Straja project and related conditions.

The Straja project is planned to be completed in 2027 with a capacity of 5,000 cows, of which 3,800 cows for milk production and 1,200 heads of young cattle. The new farm will cover an area of 10 hectares, will have 2 milking rotors and will reach full capacity in 3 years, with milk production estimated at around 100,000 litres of milk per day by the end of 2027.

The Straja project will be an engine for growth for DN AGRAR and will support doubling of the business by the end of 2027/beginning of 2028.

What did the first 9 months of 2024 mean for DN AGRAR?

April

DN AGRAR has published the key operational indicators for Q1 2024

**18% INCREASE
IN THE AMOUNT OF
MILK DELIVERED
IN Q1 2024**

In the first quarter of 2024, DN AGRAR delivered approximately **16 million liters of milk**, an increase of 18%, compared to the first quarter of 2023.

DN AGRAR shareholders approved the financial statements for 2023

At the Ordinary General Meeting of Shareholders held on April 29th, the shareholders of DN AGRAR approved the agenda items and the financial statements for the year 2023.

DN AGRAR published the Annual Report for 2023

DN AGRAR recorded a **net profit of RON 23 million, a 63% increase**, and its net profit margin reached 15%, compared to 9% in 2022.

May

DN AGRAR published the Report for Q1 2024

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

On May 30th, DN AGRAR organized the Teleconference to present the financial results for the 1st quarter of 2024

During the Teleconference, the financial and operational results for the first quarter of 2024 and the activity in the capital market for the first 3 months of this year, were presented.

June

DN AGRAR was nominated for the "Best Retail Investor Relations Strategy" category at the IR Magazine Europe Gala, which took place in London

For the first time, four companies listed on the Bucharest Stock Exchange were nominated at the IR Magazine Europe Gala, which took place on June 20th, in London.

Among the nominated companies was DN AGRAR, which **marked this success in just 2 years since its listing on the AeRO market of the BVB**.

The mix of activities in dealing with individual investors and the company's proactivity, were noted by specialists at European level.

Prime Transaction published an updated analysis report for DN AGRAR stock

Prime Transaction's coverage of DN share began in 2023 and is part of the Bucharest Stock Exchange's BVB Research Hub Program.

The target price for DN AGRAR share was revised to **RON 1.8074**, up from RON 1.6922, estimated in the December 2023 report.

DN AGRAR has joined the Romanian Association for Investor Relations, as an Associate Member

Starting this year, DN AGRAR becomes an Associate Member of ARIR, the community of listed companies.

„Our ongoing commitment to transparency, corporate governance, as well as effective and proactive communication with investors, is also evidenced by joining the ARIR community. Listing on the stock exchange was an important step for us, we have constantly improved our operations, whether structural or communication, and we continue to develop.

Two years after listing, our shares were included in the MSCI indices, we have tripled the size of our business and we aim to double it in the next four years, through operational efficiency and the development of new projects.”

Peter de Boer, BoD Member and Strategy & IR Director, DN AGRAR



What did the first 9 months of 2024 mean for DN AGRAR?

July

DN AGRAR published the key operational indicators for H1 2024

DN AGRAR has concluded the first half of 2024 with

a 17% increase in milk deliveries

compared to the same period in 2023.

DN AGRAR published its Sustainability Report for 2023

„At DN AGRAR, we endorse ESG initiatives through investments in advanced agricultural technologies and sustainable farming practices.

For more than 13 years, we have consistently focused on animal welfare, soil quality conservation, and responsible waste management, and this is how we intend to grow.

The optimization of our activities led to the reduction of fuel consumption and the automatization of certain operations within the milking process in two of our farms, resulting in the reduction of manual labor, with an impact in the coming years as well.

Additionally, we expanded our manure collection and storage capacity by 60% and made significant progress on our compost factory, which will become operational in the third quarter of 2024.”

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



August

DN AGRAR announced the purchase of electricity for 1 year

The acquisition was made following a bidding process conducted through the Romanian Commodities Exchange (BRM).

„Through this decision, DN AGRAR secures its electricity needs at a price lower by approximately 20% than the price paid in 2024 so far.

At the same time, it highlights DN AGRAR's commitment to constantly identify ways to optimize costs, with an impact on the financial results obtained by the company, with the objective of providing value to stakeholders.”

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



DN AGRAR published the report for the first half of 2024

DN AGRAR reported a turnover of around RON 83 million and a net profit of RON 15 million for the first six months of 2024.

On August 29th, the company organized a teleconference to present the financial results for the first half of 2024

During the teleconference, the financial and operational results for the first half of 2024 were presented, as well as the capital market activity in the first half of 2024.

September

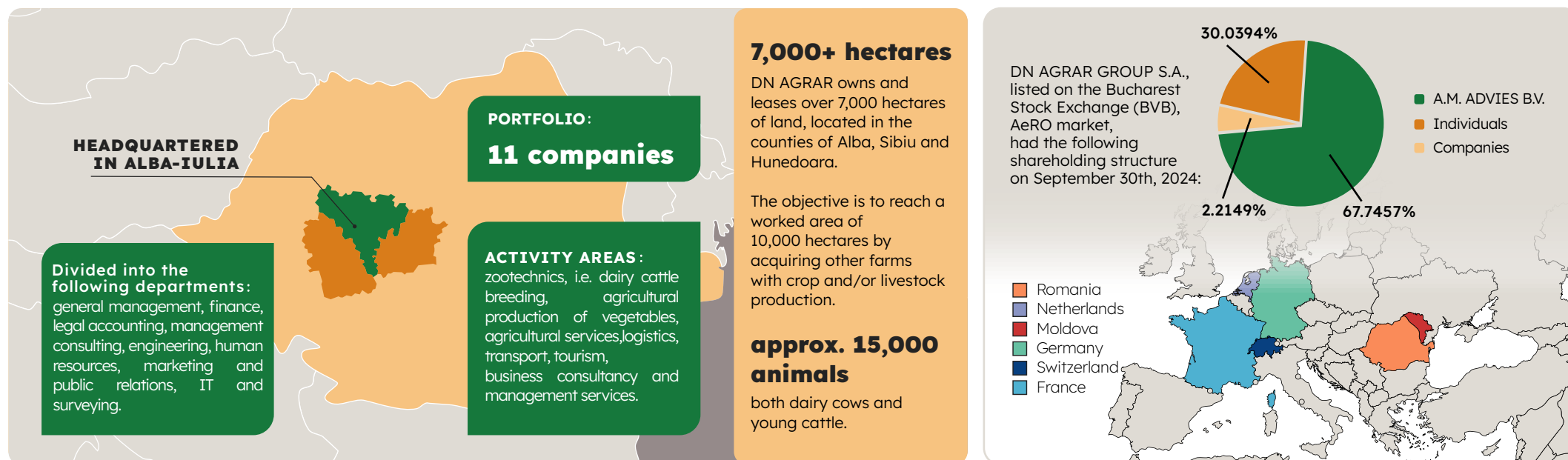
DN AGRAR has taken a significant step towards precision agriculture by investing over 300,000 euros in two specialized seeders.

These machines allow for simultaneous fertilization and seeding in a single operation, without disrupting the soil structure.

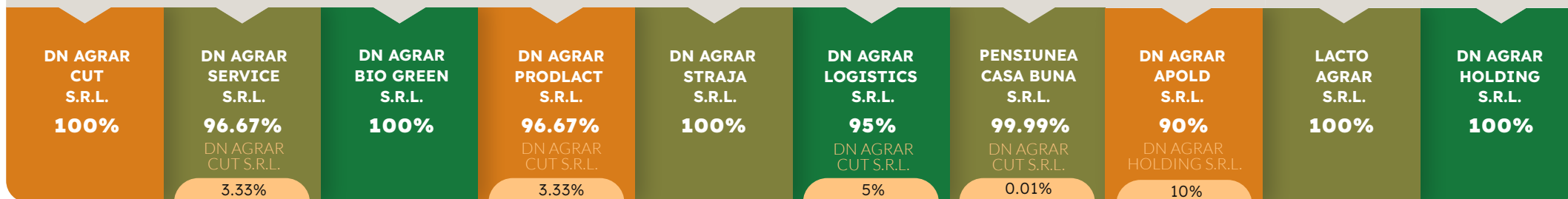
This investment supports increased efficiency, reduced costs, and contributes to environmental protection.

Presentation of DN AGRAR

The Company started its activity in Romania in 2008, through the initial lease of 23 ha of agricultural land in central Transylvania, in the counties of Alba, Sibiu and Hunedoara - financed by Mr. Jan G. de Boer, and since 2010 through foreign investments.



As of the report date, DN AGRAR Group S.A. owns directly and indirectly 100% of shares, in 10 affiliated companies.



DN AGRAR ON THE CAPITAL MARKET

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Q&A with Peter de Boer, Strategy and IR Director



1. How do you assess DN AGRAR's share price evolution in the first 9 months and what are the medium-term expectations?

In the first 9 months, the share price increased by around 17%, and year-on-year has grown 53%, placing us in the top 5 companies from the AeRO market and significantly outperforming the BETAeRO index. This positive evolution reflects the effectiveness of our strategy for growth and market position strengthening. We plan to continue investing in production capacity expansion, cost optimization, and operational growth. Consequently, we anticipate a positive medium-term trend in our share price as investors increasingly recognize our potential for growth and development. We are seeing a steady rise in the interest in DN AGRAR's shares, both regarding the trading volume and the growing number of shareholders.

2. How has DN AGRAR's shareholder structure evolved in the first 9 months of 2024 and what strategies have been adopted to attract new investors?

To increase the number of shareholders, the company implemented a strategy focused on a mix of proactive communication tools. This

strategy delivered significant results in 2023, with the number of shareholders doubling, and this trend continued into 2024, with a 60% increase, bringing the total to nearly 3,000 shareholders. In July, an accelerated private placement took place, through which the majority shareholder sold 9,699,601 ordinary shares. Following this transaction, our shareholders base became more diversified. All these actions will support the increase in DN AGRAR's stock liquidity, directly aligned with the company's long-term strategy established when it was listed on the AeRO market of the Bucharest Stock Exchange.



3. What were the main challenges and opportunities identified in investor relations in the first nine months of 2024?

Market changes and economic concerns required constant, proactive communication to convey their impact on the company's activities. We organized online conferences to present financial results, facilitating open and continuous dialogue with investors. Additionally, we provided regular updates on operational developments and the status of strategic projects through the Stock Exchange and participated in conferences to detail our activities. These initiatives, supported by strong performance, have strengthened our reputation as a transparent, investor-focused company, contributing to increased interest and trust from investors.

In terms of the opportunities, the inclusion of DN AGRAR's shares in the MSCI Frontier IMI and MSCI Romania IMI indices was a key milestone that provided greater international exposure and reinforced investor confidence in our growth potential. We remain among the top companies in the market in terms of stock price performance and currently hold the largest weighting in the BETAeRO index.

Performance indicators

Implementation of the Stock Option Plan

On February 16th, DN AGRAR informed about the implementation of the "Stock Option Plan" approved at the Ordinary General Meeting of Shareholders from April 28, 2022.

The company allocated free of charge a number of 269,443 of its own shares held to directors, and employees who meet the eligibility criteria defined in the Stock Option Plan.

Extraordinary General Meeting of Shareholders

On March 12th, took place the Extraordinary General Meeting of Shareholders that approved the financing of the Straja project, scheduled to be finalized in 2027. The Straja farm will have a capacity of 5,000 cows (3,800 dairy cows and 1,200 young stock) and is a driver for DN AGRAR's growth, supporting the doubling of the business by the end of 2027/beginning of 2028.

DN AGRAR also provided shareholders with the opportunity to participate online in the discussions of the EGMS.

Ordinary General Meeting of Shareholders

On April 29th, the Ordinary General Meeting of DN AGRAR took place, during which shareholders approved the company's individual and consolidated financial results for the 2023 financial year and the budget for 2024. Shareholders had the opportunity to participate in the discussions of the OGM online.

Share Price Evolution

As of September 30th, 2024, the share price of DN AGRAR was RON 1.5000, representing a 53.37% increase compared to September 28th, 2023.

In the first 9 months of 2024, were made 10.750 transactions with DN AGRAR shares, totaling a value of RON 46.94 million.

Furthermore, starting from March 1st, DN AGRAR's shares were included in the MSCI Frontier IMI and MSCI Romania IMI indices, in the Small Cap category.



Performance indicators

Use of Capital Market Instruments

In July, the majority shareholder of DN AGRAR initiated an offering through an accelerated private placement conducted by **S.S.I.F. TradeVille S.A.** The shareholder sold **9,699,601 ordinary shares of the Company** in the offering completed on July 10, out of a total of 12,000,000 available. The transaction was made to support the liquidity growth of DN AGRAR's shares, in direct relation to the company's long-term strategy established at the listing on the AeRO market of the Bucharest Stock Exchange.

Analysis Reports

Currently, DN AGRAR's share is covered by two analysts from BRK Financial Group and Prime Transaction.

The coverage of the share by Prime Transaction began in 2023 as part of the BVB Research Hub program of the Bucharest Stock Exchange. In 2024, Prime Transaction published two updated analysis reports for DN's share, in June and October. These reports can be accessed at the following links:

<https://bvbresearch.ro/api/reports/340/attachment>
<https://bvbresearch.ro/api/reports/371/attachment>

The coverage by BRK Financial Group began in 2023. In August 2024, BRK Financial Group published an updated analysis report, available at the following link:

https://www.brk.ro/documente/analize/ro_dn_update_august_2024.pdf

Publication of Key Operational Indicators

DN AGRAR publishes key operational indicators on a monthly and quarterly basis. On October 15th, the company published the key operational indicators for the first 9 months of 2024. In the first 9 months of 2024, **the volume of milk delivered by DN AGRAR Group increased by over 14%** compared to the same period last year.

Company	Analyst	Report date	Recommendation	Target price
BRK Financial Grup	Mihaela Măgherușan	30.06.2023	Purchase	0.91
S.S.I.F. Prime Transaction	Marius Pandele	22.11.2023	n.a.	1.5954
S.S.I.F. Prime Transaction	Marius Pandele	18.12.2023	n.a.	1.6922
S.S.I.F. Prime Transaction	Marius Pandele	24.06.2024	n.a.	1.8074
BRK Financial Grup	Mihaela Măgherușan	07.08.2024	Purchase	1.746
S.S.I.F. Prime Transaction	Marius Pandele	21.10.2024	n.a.	1.7683

Performance indicators

CAPITALIZATION

RON 238.64 MIL.

EUR 47.96 MIL.

30.09.2024

+53.37%



EQUITY/ SHARE

RON 0.97

EUR 0.19

30.09.2024

+51.01%



NUMBER OF SHARES

159.094.224

Evolution of DN AGRAR Group share price, H1 2024 vs. H1 2023



RON 1.50

**closing price
September 30th 2024**

RON 0.978
29.09.2023

+53.37%

RON 1.5000
30.09.2024

Performance indicators

**EBITDA
MARGIN***
30/09/2024

39.45%

-1.58%
vs
30.09.2023



**PROFIT
MARGIN***
30/09/2024

16.62%

-13.69%
vs
30.09.2023



ROA*
30/09/2024

6.13%

-29.18%
vs
31.12.2023



ROE*
30/09/2024

13.67%

-37.52%
vs
31.12.2023



Indicators	30/09/2024	30/09/2023
PER*	11.15** +83,98% vs 30.09.2023	6.06**
EPS*	0.1325 RON -5.65% vs 30.09.2023	0.1404 RON
P/BV*	0.92 +17,47% vs 31.12.2023	0.79

PROFIT/SHARE*
30/09/2024

0.13

-5.65% vs 30.09.2023



TOTAL ASSETS/SHARE*
30/09/2024

RON 2.16

+33.22% vs 31.12.2023



NET ASSETS/SHARE*
30/09/2024

RON 1.62

+11.73% vs 31.12.2023



*View on the next page the calculation method for this indicator.

**The Trailing PER indicator is presented in evolution for the last 12 months prior to the reference period 30.09.2024-30.09.2023 compared with the period 30.09.2023-30.09.2022.

Performance indicators



$$\text{EBITDA Margin} = \frac{\text{EBITDA}}{\text{Turnover}}$$

$$\text{Profit Margin} = \frac{\text{Net profit}}{\text{Turnover}}$$

$$\text{ROA} = \frac{\text{Net profit}}{\text{Total assets}}$$

$$\text{ROE} = \frac{\text{Net profit}}{\text{Equity}}$$

PER

$$\frac{\text{Market Capitalisation}}{\text{Net profit}}$$

P/BV

$$\frac{\text{Market Capitalisation}}{\text{Net assets}}$$

EPS

$$\frac{\text{Net profit}}{\text{Total Number of Shares}}$$

NET ASSETS = Total assets - Current liabilities

PROFIT/SHARE = Net Profit/Total Number of Shares

TOTAL ASSETS/SHARE = Total Assets/Total Number of Shares

NET ASSETS/SHARE = Net Assets/Total Number of Shares

EQUITY/SHARE = Equity/Total number of shares

KEY EVENTS 2024

IN THE CAPITAL MARKET

JANUARY

DN AGRAR obtained VEKTOR by ARIR 10, **the maximum score** for communication with investors.



FEBRUARY

DN AGRAR participated on the

"ZF Agropower"



MARCH

DN AGRAR participated in the

"ZF Capital Market Summit 2024"



KEY EVENTS 2024

IN THE CAPITAL MARKET

APRIL

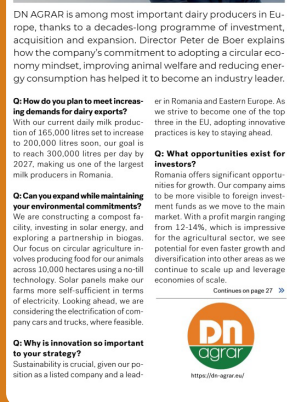
DN AGRAR participated on the "ZF Deschiderea de Astăzi" show.



Peter de Boer, BoD Member and Strategy & IR Director of DN AGRAR, gave an interview to **DieWelt Germany Magazine**.



DN AGRAR participated in the **conference with investors in Zurs**, organized by Raiffeisen Bank International.



The DN AGRAR team participated in the **Investors Day**, online event, organized by TradeVille.

MAY

DN AGRAR participated in the the webinar "**Sustainability in agriculture, from idea to success:** recipes for smart feeding of a growing population in the context of geopolitical, climate and environmental challenges!" hosted by the Romanian-Dutch Chamber of Commerce NRCC.



JUNE

DN AGRAR participated at **Forum by ARIR 2024**.



DN AGRAR participated in the fourth edition of "**Quarterly Report**" by TradeVille.



Peter de Boer, BoD Member and Strategy & IR Director of DN AGRAR, was awarded at the 19th edition of the "**Young Managers 2024 - Rising Stars**" Gala.



KEY EVENTS 2024

IN THE CAPITAL MARKET

JULY

A.M. ADVIES B.V., the majority shareholder of DN AGRAR, carried out an accelerated private placement, **selling 9.7 million shares**, representing 6.1% of the company.



AUGUST

BRK Financial Group published an updated **analysis report** for DN AGRAR share.

DN AGRAR participated in the **"Deschiderea de Astăzi"** show on Ziarul Financiar.



SEPTEMBER

Participation in the **"Capital Market Forum 2024"**, an event organized by Financial Intelligence.

Participation in the **"New Agro"** Conference, organized by Revista Biz.

The story of DN AGRAR was featured in the **"Poveștile Bursei"** show on Profit TV.



PERFORMANCE

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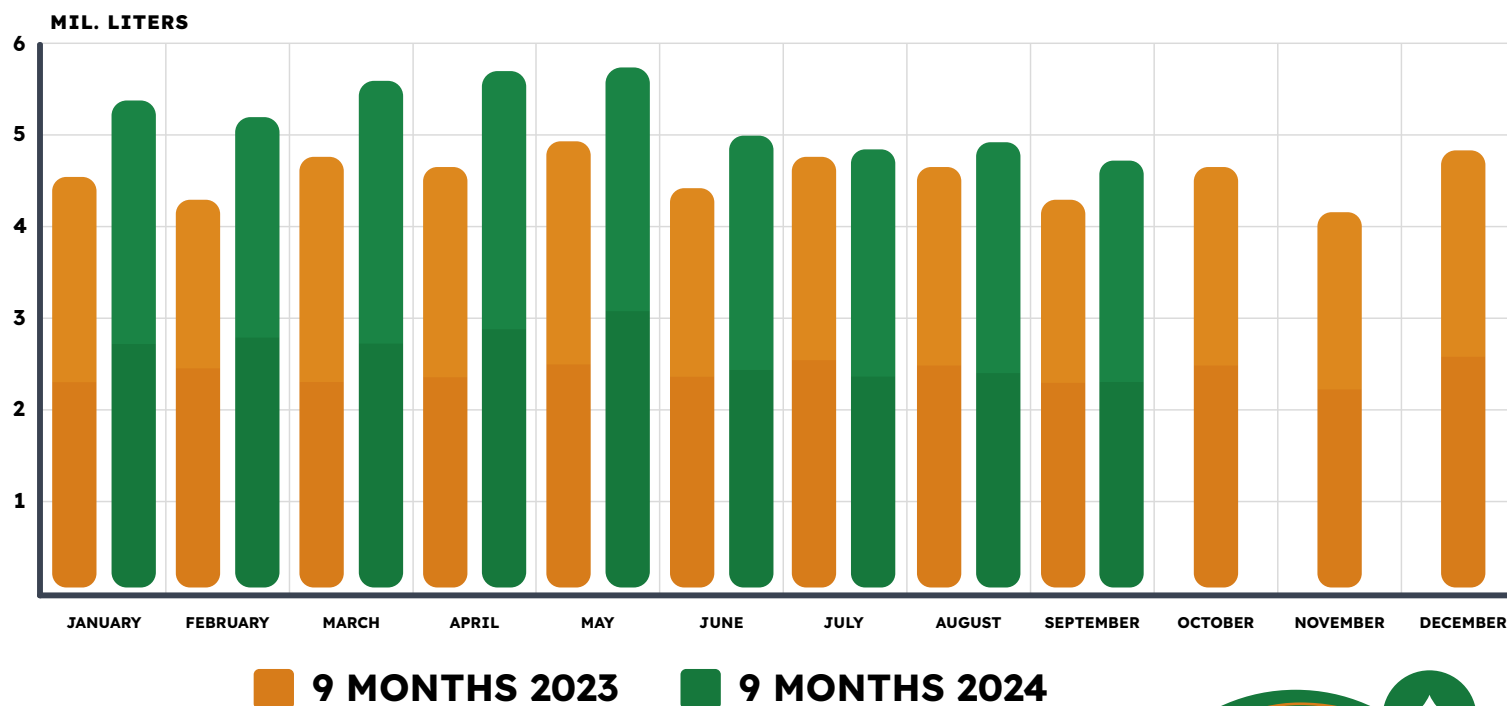
Milk production activity

According to data released by the National Institute of Statistics (INS) on November 15th, Romania's imports of raw milk increased significantly by 42.6% in January-September 2024, compared to the same period in the previous year.

DN AGRAR has delivered approximately **47 million liters of milk** in the first 9 months of this year, a **14% increase** compared to the same period last year. This performance was supported by an increase of more than 17% in livestock, reaching approximately **15,000 heads** at the end of September. In the first nine months, the average of milk delivered monthly, exceeded 5 million liters.



EVOLUTION OF MILK DELIVERED 9 MONTHS 2024 VS 9 MONTHS 2023



By maintaining a consistent milk production, with a monthly average exceeding 5 million liters, DN AGRAR aims to surpass the **60 million liters delivery threshold this year.**

14%
vs 9 MONTHS
2023

Agriculture and cereal production activity

The company DN AGRAR, alongside its milk production activity, also conducts, on a secondary level, cereal production, which is partially seasonal. As the agricultural cycle in Romania is divided into two main seasons, each has a different influence on the company's financial performance:

Spring campaign: takes place from March to May, with harvesting activities in September to October.

Autumn campaign: occurs between September and October, with harvesting activities in the following summer.



Related to grain production activity, in the first quarter of 2024, we have carried out a number of works specific to this period.



At the beginning of the year, in **January**, we carried out basic machinery and tractor revisions, an annual operation **completed towards the end of February**.

Also in **January** we started the preparation for the spring campaign.

In **February**, we started soil preparation work for the spring campaign.

In **March**, we started a series of specific activities:

We carried out specific work for autumn crops (fertilisation) and started soil preparation for the establishment of alfalfa, maize and sunflower crops.

We carried out specific work on spring crops: we sowed alfalfa and carried out fertilisation work on cereals.

We have also started preparing the land for sowing corn.



In **April** we started sowing for corn silage and sunflower. We have also carried out specific crop care works, respectively the application of phytosanitary treatments and nitrogen fertilizations for cereal crops. Towards the end of **April**, the sowing of the sorghum crop was carried out.

In **May**, we started the process of harvesting the first cut of alfalfa silage and we harvested the triticale silage. At the end of the month, after the end of the silage triticale harvesting process, we started sowing the second silage corn crop.



In **June**, specific care works were carried out on cereal crops and specific phytosanitary treatments were applied.

We carried out the second harvest of the alfalfa crop, and at the end of June we started the harvest process for straw cereals, respectively autumn barley.

Agriculture and cereal production activity

In **July**, we successfully completed the harvest of autumn cereals: wheat, triticale, and barley. The grain was subsequently stored in our own silos. Additionally, we baled the straw, which was then transported to our own livestock farms.

In the second part of **July**, we initiated the corn silage harvest, the primary crop, an operation that extended into **August** and **September**.



In **August**, the main crop of sorghum silage, was harvested.



In **September**, we began sowing autumn cereals: autumn barley, autumn triticale, and autumn wheat, using the new no-till technology. For this purpose, two specialized seeders were acquired.

Additionally, in **September**, we began harvesting the second corn and sorghum crops, a process that was completed in October through a phased approach.



For the first time, this year we have widely adopted no-till and minimum-till technologies, and we have abandoned deep tillage for all crops.

Also this year, DN AGRAR has optimized its agricultural processes and implemented a precision farming system with an investment of more than EUR 300 thousand in two precision seed drills, which allow simultaneous fertilization and sowing without disturbing the soil structure. This innovative solution has allowed us to save over 40% in seeding costs, increasing the company's profitability.

This innovative decision not only significantly reduces costs for fuel and machinery wear but also contributes to increasing long-term yields, protecting biodiversity, and preserving soil and water. By adopting these technologies, we have significantly reduced our environmental impact and paved the way for a more efficient and sustainable agriculture.



Agriculture and cereal production activity

The production from crops is used to provide the fodder base for DN AGRAR's cow farms (silage maize, alfalfa, silage triticale, grass, wheat straw) and to pay the land rent (for those lessors opting for cereals).

Another important activity for our company is the establishment of a secondary maize crop, planted after the primary silage triticale crop harvest. This brings multiple advantages, both economic and agronomic.

The second maize crop is established with lower costs than the primary crop because it doesn't involve land rent costs, it requires less basic land work (plowing or scarification) and less land cleaning, leaving the field clear of vegetative residues after silage harvesting, thus preventing soil erosion.

For the agricultural year 2023/2024, in the next image are the crops established by DN AGRAR:



Agriculture and cereal production activity

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

Although plowing was initially an activity intended to plant more seeds and in a shorter time, cultivation by the No-till method offers various benefits, from reducing the time needed for this activity to improving the quality of the soil and the environment.

The cultivation process using No-tillage technology generally involves the use of special equipment, such as disc seed drills, to make trenches in the soil and plant, set and cover the seeds in one pass.

In addition to improving the soil, no-tillage farming generates savings in fuel costs throughout the planting season. There are also additional advantages of cultivation by using No-tillage technology, which have a positive impact on land and production, including:

1. Protects the soil and reduces erosion

Agriculture that uses No-tillage technology protects the soil and reduces erosion.

No-till cultivation allows the soil to maintain its complex structure by helping it retain water, instead of allowing the soil to be washed away by water.

2. Produces better quality soil

The soil structure degrades as a result of conventional agricultural work. The No-till method keeps nutrients in the soil where they belong, and nutrient-rich soil generates better harvest results.



3. Saves insects and microorganisms

In addition to contributing to global biodiversity, soil microorganisms and insects bring numerous benefits to crops. The diversity of microbial life strengthens the soil and gives it greater resistance.

Tillage destroys fungi and bacteria that would naturally form communities in the soil and feed on its organic matter. By leaving the soil undisturbed, the organisms in it can restore the nutrient levels needed for crops to thrive.

4. Contributes to the battle against the climate changes

Exposing carbon to the air improves the likelihood of a form of carbon dioxide, which contributes to the greenhouse gas emissions responsible for climate change.

The soil stores carbon, and plowing breaks down the aggregates that hold it, allowing the carbon to come to the surface and come into contact with the air.

However, agriculture by the No-tillage method does not influence the soil to the same extent, maintaining carbon in the soil.

Among the crops established by DN AGRAR, the sunflower crop was sown using the minimum-till technology, using only a disc pass for soil preparation, after which sowing was carried out. This has led to a reduction in costs per hectare, by about 16%, and our expectations regarding the production are to have results at least equal to the production obtained using the classical system.



DN AGRAR Group Performance and Key Figures in the first 9 MONTHS 2024

TURNOVER*

RON
126.79 MIL.
(EUR 25.48 MIL.)

+9.32%
VS
9 MONTHS 2023

TOTAL
ASSETS

RON
343.78 MIL.
(EUR 69.09 MIL.)

+11.64%
VS
31.12.2023

EQUITY*

RON
154.22 MIL.
(EUR 30.99 MIL.)

+15.66%
VS
31.12.2023

EBITDA*

RON
50.02 MIL.
(EUR 10.05 MIL.)

+7.59%
VS
9 MONTHS 2023

NET
PROFIT*

RON
21.08 MIL.
(EUR 4.24 MIL.)

-5.65%
VS
9 MONTHS 2023

OPERATING
INCOME*

RON
193.49 MIL.
(EUR 38.89 MIL.)

+6.96%
VS
9 MONTHS 2023

FIXED
ASSETS*

RON
235.55 MIL.
(EUR 47.34 MIL.)

+11.04%
VS
31.12.2023

NET
ASSETS*

RON
258.39 MIL.
(EUR 51.93 MIL.)

+11.73%
VS
31.12.2023

DN AGRAR Group Performance and Key Figures in the first 9 MONTHS 2024



NET TURNOVER = Production sold + Income from sale of goods - Income from trade discounts granted

NET PROFIT OR LOSS FOR THE FINANCIAL YEAR = GROSS PROFIT OR LOSS - Income tax - Tax specific to certain activities - Other taxes - Net profit or loss on minority interests

EBITDA	TOTAL ASSETS
Net Profit + Interest Expense + Tax Expense + Depreciation and Amortization Expense	Fixed assets + Current assets + Prepaid expenses
FIXED ASSETS	NET ASSETS
Intangible assets + Tangible assets + Financial assets	Total assets - Current liabilities

SHAREHOLDERS' EQUITY = Subscribed paid-in capital + EQUITY Premium + RESERVES + OWN SHARES + REPORTED PROFIT OR LOSS + PROFIT OR LOSS FOR THE FINANCIAL YEAR + MINORITY INTEREST

REVENUE FROM OPERATING ACTIVITIES = Production sold + Income from the sale of goods + Trade discounts granted + Income relating to the cost of work in progress + Income from the production of intangible and tangible fixed assets + Income from the revaluation of tangible fixed assets + Income from the production of investment property + Income from operating subsidies + Other operating income

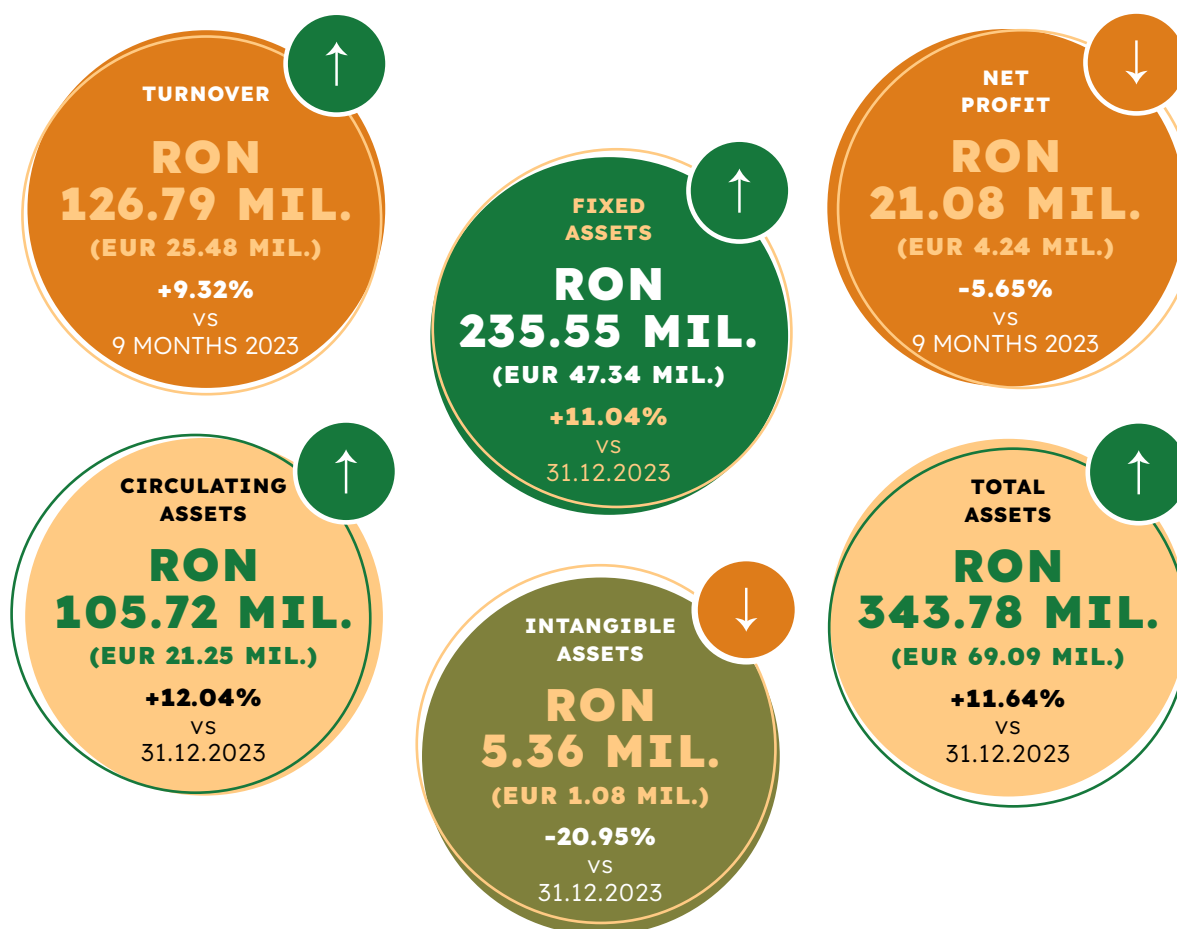
Analysis of the financial results

Analysis of the consolidated financial results as at 30.09.2024

DN AGRAR Group recorded a **turnover of RON 127 million** in the first nine months of 2024, a 9% increase compared to 2023, and a **net profit of RON 21 million**.

The previous strategic investments realized, including automation within the farms, supported a **14% increase in milk production** in the first nine months of 2024, and the optimization of the production cost, directly impacting the company's financial results.

For the upcoming period, we believe that we can maintain this trend given the increase in the number of dairy cows in livestock farms, which will lead to an increase in milk production, as well as due to the continuation of the process of optimizing production costs at both the plant and animal production levels.



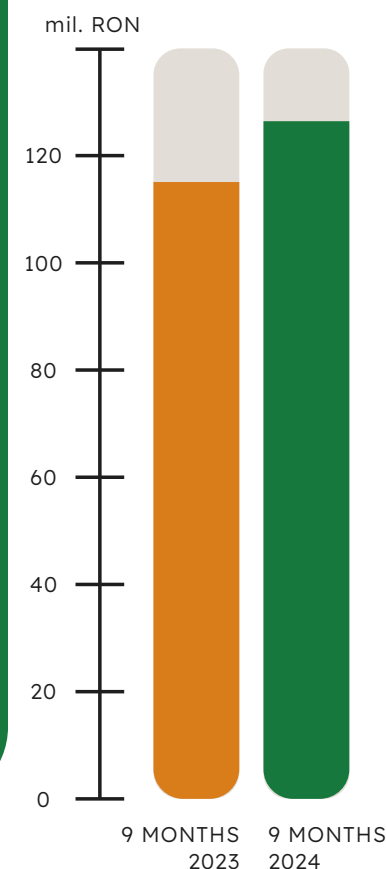
Analysis of the financial results

Analysis of the profit and loss account at consolidated level

Indicators	30/09/2024	30/09/2023	30/09/2024	30/09/2023	Δ%
NET TURNOVER	RON 126,792,531	RON 115,983,423	EUR 27,273,663	EUR 24,948,573	9.32%
OPERATING INCOME - TOTAL	RON 193,492,036	RON 180,897,789	EUR 41,621,036	EUR 38,911,955	6.96%
PERSONNEL EXPENSES	RON 20,114,215	RON 18,306,270	EUR 4,326,661	EUR 3,937,764	9.88%
VALUE ADJUSTMENTS REGARDING TANGIBLE AND INTANGIBLE ASSETS	RON 18,611,728	RON 15,465,424	EUR 4,003,469	EUR 3,326,685	20.34%
VALUE ADJUSTMENTS REGARDING CURRENT ASSETS	RON (135,452)	RON 1,698,648	EUR (29,136)	EUR 365,387	-107.97%
OTHER OPERATING EXPENSES	RON 29,321,265	RON 26,129,999	EUR 6,307,140	EUR 5,620,684	12.21%
ADJUSTMENTS REGARDING PROVISIONS	RON 369,076	RON 327,739	EUR 79,390	EUR 70,498	12.61%
OPERATING EXPENSES - TOTAL	RON 161,949,913	RON 147,741,472	EUR 34,836,179	EUR 31,779,877	9.62%
OPERATING PROFIT OR LOSS	RON 31,542,122	RON 33,156,316	EUR 6,784,857	EUR 7,132,078	-4.87%
FINANCIAL INCOME - TOTAL	RON 864,875	RON 1,714,238	EUR 186,039	EUR 368,741	-49.55%
FINANCIAL EXPENSES - TOTAL	RON 6,556,988	RON 8,329,025	EUR 1,410,439	EUR 1,791,612	-21.28%
FINANCIAL PROFIT OR LOSS	RON (5,692,113)	RON (6,614,787)	EUR (1,224,400)	EUR (1,422,871)	-13.95%
TOTAL INCOME	RON 194,356,910	RON 182,612,027	EUR 41,807,075	EUR 39,280,696	6.43%
TOTAL EXPENSES	RON 168,506,901	RON 156,070,497	EUR 36,246,618	EUR 33,571,489	7.97%
GROSS PROFIT OR LOSS	RON 25,850,009	RON 26,541,529	EUR 5,560,457	EUR 5,709,206	-2.61%
NET PROFIT OR LOSS ATTRIBUTABLE TO THE GROUP	RON 21,077,699	RON 22,339,132	EUR 4,533,911	EUR 4,805,251	-5.65%

In the consolidation of the **Income Statement**, the comparatives for financial indicators are considered as of **September 30, 2023**. The group's financial position indicators include, as of the same date, all 11 commercial companies in which DN AGRAR Group S.A. holds a majority stake.

Turnover



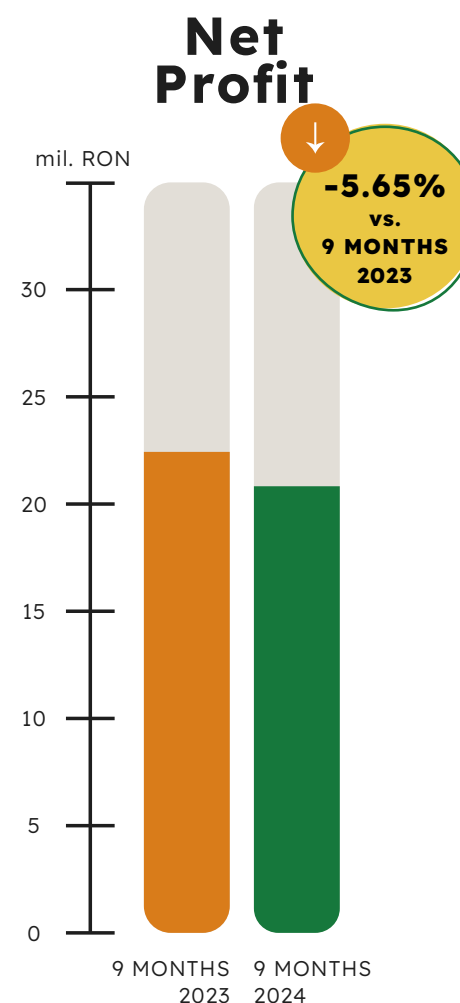
Analysis of the financial results

Analysis of the profit and loss account at consolidated level

In the first nine months of 2024, **operating income** amounted to **RON 193 million, an increase of 7%** compared to the same period last year. **Revenue from sales of production** reached **RON 126 million**, recording a **9% increase** compared to the same period in 2023. Operating subsidies decreased by 8% to RON 17 million, as for 2024 has not been established any type of support following the impact of the situation resulting from Russia's aggression against Ukraine.

The subsidies received through APIA are for agricultural land and raw milk production. The subsidies are granted based on the number of animals owned and the land area used, based on the company's applications.

The Net Profit of DN AGRAR had a slight decrease of 5.65% from RON 22.34 million to RON 21.08 million.



Profit and loss account indicators	30/09/2024		30/09/2023		30/09/2024		30/09/2023		Δ%
Operating income - total	RON	193,492,036	RON	180,897,789	EUR	38,888,182	EUR	36,356,980	6.96%
Operating expenditure - total	RON	161,949,913	RON	147,741,472	EUR	32,548,821	EUR	29,693,197	9.62%
Operating profit or loss	RON	31,542,122	RON	33,156,316	EUR	6,339,360	EUR	6,663,782	-4.87%
Financial income - total	RON	864,875	RON	1,714,238	EUR	173,823	EUR	344,529	-49.55%
Financial expenditure - total	RON	6,556,988	RON	8,329,025	EUR	1,317,829	EUR	1,673,974	-21.28%
Financial profit or loss	RON	(5,692,113)	RON	(6,614,787)	EUR	(1,144,005)	EUR	(1,329,445)	-13.95%
Gross profit or loss	RON	25,850,009	RON	26,541,529	EUR	5,195,355	EUR	5,334,337	-2.61%
Net profit or loss attributable to the group	RON	21,077,699	RON	22,339,132	EUR	4,236,213	EUR	4,489,736	-5.65%

Analysis of the financial results

Analysis of the profit and loss account at consolidated level

By adopting the new PNRR regulations in 2023, the calculation reference for national transitional aid for milk production and farm animals has changed, with the reference year set as 2018. Consequently, the subsidies due to DN AGRAR in 2024 for animals take into account **a higher number of dairy cattle by 2,286 heads.**

Regarding milk production, the subsidies due consider **a quantity of milk higher by 23,814 tons** at the level of the group of livestock farms at the Group level. It's worth mentioning that in previous PNRR regulations, the reference for milk production and farm animals was calculated based on the year 2013, when in the case of DN AGRAR these numbers were significantly lower than those from 2018.

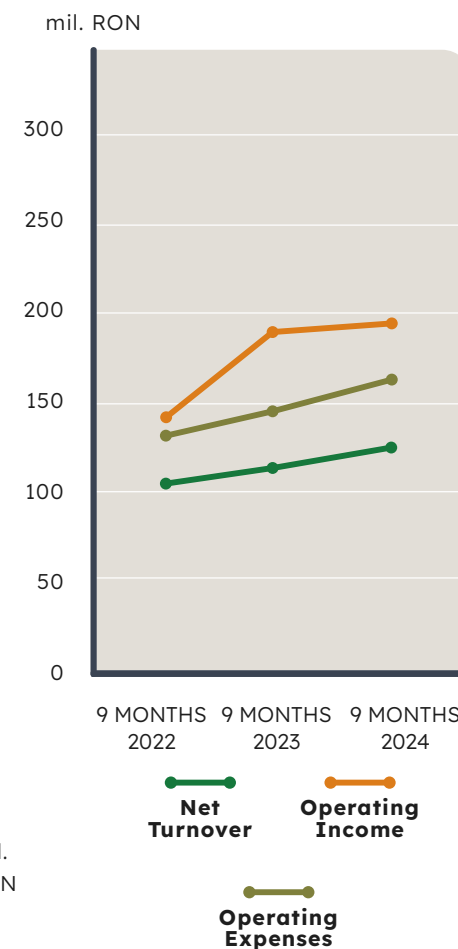
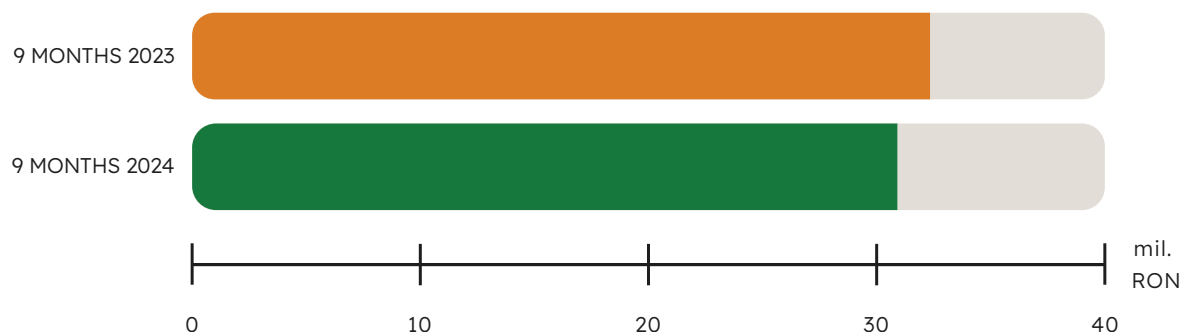
For the year 2024, within the new National Recovery and Resilience Plan (PNRR) for the period 2023-2027, has been introduced a subsidy for dairy cow welfare of 130 euros per head, compared to 100 euros per head in 2023.

The revenues from the production of fixed assets increased by 136%, reaching **RON 14 million.** This increase was due to the recording of young dairy cows entering the milk production process as fixed assets.

The Revenues from the sale of goods decreased by 7%, to a value of **RON 643 thousand,** as a result of retaining finished products obtained from agricultural activities for feeding the animals on the dairy farms.

The operating result of the DN AGRAR Group has decreased from RON 33.16 million to RON 31.54 million, a decrease of 4.87%.

Operating Profit



Analysis of the financial results

Analysis of the profit and loss account at consolidated level

Operating expenses increased by 10% in the first nine months of 2024 compared to 2023, reaching **RON 162 million**. The main contributor was the increase in valuation adjustments for tangible and intangible fixed assets, which reached RON 19 million, up with 20% versus the same period of last year. This evolution is linked to the reevaluation of fixed assets in DN AGRAR farms, which increased by 12% compared to the same period in 2023.

Costs of raw materials and consumables increased slightly by 5% in the first nine months, reaching **RON 89 million**.

With the expansion of the livestock herd, personnel costs increased to RON 20 million, a 10% increase, with DN AGRAR having over 270 employees in the first nine months of 2024.

The group's **operating result decreased slightly by 5%** in the first nine months of 2024, from RON 33 million **to RON 32 million**.

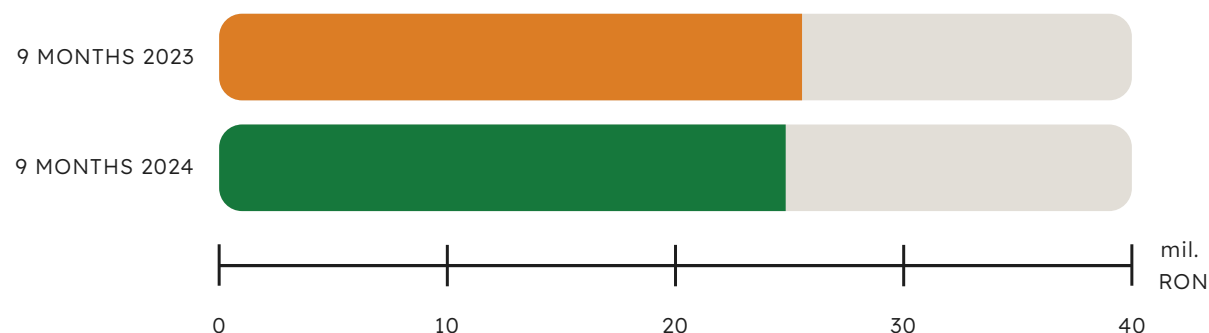
In the first nine months of 2024, **financial income decreased by 50%, to RON 865 thousand**, while **financial expenses decreased by 21%, to RON 7 million**. The decrease in financial expenses was mainly due to a 70% decrease in foreign exchange differences compared to the first nine months of 2023, reaching RON 999 thousand. This was due to the stable evolution of the national currency against

the EURO, to which all bank loans contracted by DN AGRAR companies were converted. **Interest expenses increased by 11% to RON 6 million**, due to EUR 9.2 million loan contracted from Eximbank for the establishment of the DN AGRAR Straja farm.

In the first nine months of 2024, the DN AGRAR Group closed the balance sheet with a net profit of RON 21 million, a slight decrease of 6% compared to the same period in 2023.

DN AGRAR Group recorded a gross profit of RON 26 million in the first 9 months of 2024, a decrease of 3% compared to the same period in 2023.

Gross Profit



Analysis of the financial results

Analysis of the profit and loss account at consolidated level

Indicators	30/09/2024		30/09/2023		30/09/2024		30/09/2023		Δ%
Net turnover	RON	126,792,531	RON	115,983,423	EUR	25,482,863	EUR	23,310,440	9.32%
1. Production sold	RON	126,149,782	RON	115,397,099	EUR	25,353,682	EUR	23,192,600	9.32%
Income from the sale of goods	RON	642,749	RON	693,011	EUR	129,180	EUR	139,282	-7.25%
Commercial discounts granted		-	RON	(106,686)		-	EUR	(21,442)	-
Sold C	RON	35,301,082	RON	39,173,530	EUR	7,094,839	EUR	7,873,127	-9.89%
3. Income from the production of intangible and tangible assets	RON	14,001,536	RON	5,933,178	EUR	2,814,040	EUR	1,192,455	135.99%
6. Income from operating subsidies	RON	16,919,070	RON	18,480,826	EUR	3,400,408	EUR	3,714,291	-8.45%
7. Other operating income	RON	477,816	RON	1,326,832	EUR	96,032	EUR	266,668	-63.99%
- of which, income from investment subsidies		-	RON	66,012		-	EUR	13,267	-
Operating income - total	RON	193,492,036	RON	180,897,789	EUR	38,888,182	EUR	36,356,980	6.96%
8.a) Expenses for raw materials and consumable materials	RON	89,408,585	RON	85,087,079	EUR	17,969,408	EUR	17,100,868	5.08%
Other material expenses	RON	1,674,267	RON	1,595,471	EUR	336,495	EUR	320,659	4.94%
b) Other external expenses	RON	2,465,472	RON	2,746,094	EUR	495,513	EUR	551,912	-10.22%
c) Expenses related to goods	RON	762,975	RON	526,216	EUR	153,343	EUR	105,759	44.99%
Trade discounts received	RON	(174,970)	RON	(88,693)	EUR	(35,166)	EUR	(17,826)	97.27%
9. Personnel expenses	RON	20,114,215	RON	18,306,270	EUR	4,042,571	EUR	3,679,209	9.88%
a) Wages and allowances	RON	19,608,141	RON	17,896,402	EUR	3,940,860	EUR	3,596,833	9.56%

Analysis of the financial results

Analysis of the profit and loss account at consolidated level

Indicators	30/09/2024		30/09/2023		30/09/2024		30/09/2023		Δ%
b) Expenses for insurances and social protection	RON	506,074	RON	409,868	EUR	101,711	EUR	82,376	23.47%
10. a) Value adjustments regarding tangible and intangible assets	RON	18,611,728	RON	15,465,424	EUR	3,740,600	EUR	3,108,253	20.34%
a.1) Operating expenses regarding depreciation of fixed assets	RON	18,612,447	RON	15,466,143	EUR	3,740,744	EUR	3,108,398	20.34%
a.3) Income	RON	(719)	RON	(719)	EUR	(145)	EUR	(145)	0
b) Value adjustments regarding current assets	RON	(135,452)	RON	1,698,648	EUR	(27,223)	EUR	341,396	-107.97%
b.1) Expenses	RON	135,452	RON	177,675	EUR	27,223	EUR	35,709	-23.76%
b.2) Income		-	RON	1,876,323		-	EUR	377,105	-
11. Other operating expenses	RON	29,321,265	RON	26,129,999	EUR	5,893,011	EUR	5,251,628	12.21%
11.1. Expenses related to external services	RON	27,522,885	RON	25,147,251	EUR	5,531,571	EUR	5,054,114	9.45%
11.6. Expenses for other taxes, fees, and similar payments; expenses representing transfers and contributions due based on specific legislative acts	RON	602,976	RON	615,304	EUR	121,187	EUR	123,664	-2.00%
11.10. Other expenses	RON	1,195,404	RON	367,444	EUR	240,253	EUR	73,849	225.33%
Adjustments regarding provisions	RON	369,076	RON	327,739	EUR	74,177	EUR	65,869	12.61%
- Income	RON	369,076	RON	327,739	EUR	74,177	EUR	65,869	12.61%
Operating expenses - total	RON	161,949,913	RON	147,741,472	EUR	32,548,821	EUR	29,693,197	9.62%
Operating profit or loss	RON	31,542,122	RON	33,156,316	EUR	6,339,360	EUR	6,663,782	-4.87%
13. Income from interest	RON	2,892	RON	30,896	EUR	581	EUR	6,209	-90.64%

Analysis of the financial results

Analysis of the profit and loss account at consolidated level

Indicators	30/09/2024		30/09/2023		30/09/2024	30/09/2023	Δ%		
- of which, income obtained from affiliated entities	-	RON	342,093	-	EUR	68,754	-		
15. Other financial income	RON	861,983	RON	1,683,342	EUR	173,242	EUR	338,319	-48.79%
Financial income - total	RON	864,875	RON	1,714,238	EUR	173,823	EUR	344,529	-49.55%
17. Expenses related to interest	RON	5,558,430	RON	5,027,203	EUR	1,117,138	EUR	1,010,371	10.57%
- of which, expenses in relation to affiliated entities	-	RON	188,264	-	EUR	37,837	-		
18. Other financial expenses	RON	998,558	RON	3,301,822	EUR	200,691	EUR	663,603	-69.76%
Financial expenses - total	RON	6,556,988	RON	8,329,025	EUR	1,317,829	EUR	1,673,974	-21.28%
Financial profit or loss	RON	(5,692,113)	RON	(6,614,787)	EUR	(1,144,005)	EUR	(1,329,445)	-13.95%
Total income	RON	194,356,910	RON	182,612,027	EUR	39,062,005	EUR	36,701,509	6.43%
Total expenses	RON	168,506,901	RON	156,070,497	EUR	33,866,649	EUR	31,367,171	7.97%
19. Gross profit or loss	RON	25,850,009	RON	26,541,529	EUR	5,195,355	EUR	5,334,337	-2.61%
20. Profit tax	RON	4,772,310	RON	3,862,139	EUR	959,143	EUR	776,216	23.57%
22. Other taxes not presented in the elements above	-	RON	13,819	-	EUR	2,777	-		
23. Net profit or loss of the financial year	RON	21,077,699	RON	22,665,572	EUR	4,236,213	EUR	4,555,344	-7.01%
Net profit or loss attributable to minority interests	-	RON	326,440	-	EUR	65,608	-		
23. Net profit or loss attributable to the group	RON	21,077,699	RON	22,339,132	EUR	4,236,213	EUR	4,489,736	-5.65%

Analysis of the financial results

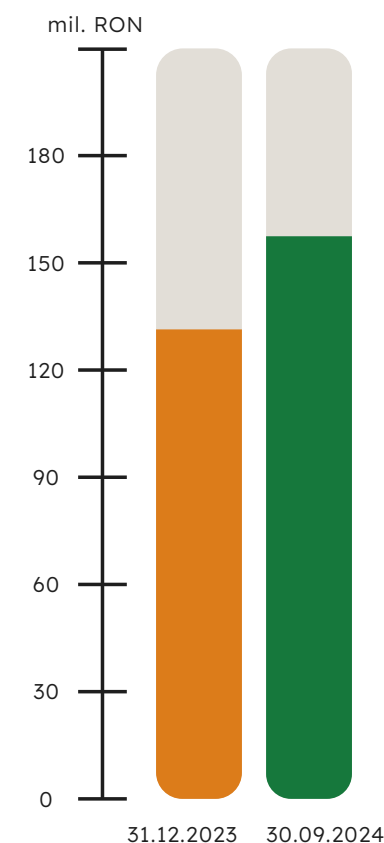
Analysis of the balance sheet at consolidated level

In consolidation of the **Balance Sheet as of September 30th, 2024**, the financial indicators are compared to **December 31, 2023**.

In 2024, DN AGRAR's **total assets increased by 12%**, reaching **RON 344 million**.

Indicators	30/09/2024	31/12/2023	30/09/2024	31/12/2023	Δ%
FIXED ASSETS - TOTAL	RON 235,554,061	RON 212,141,058	EUR 47,341,840	EUR 42,636,277	11.04%
CIRCULATING ASSETS - TOTAL	RON 105,722,073	RON 94,362,606	EUR 21,248,105	EUR 18,965,071	12.04%
PREPAYMENTS	RON 2,507,418	RON 1,441,310	EUR 503,943	EUR 289,676	73.97%
TOTAL ASSETS	RON 343,783,552	RON 307,944,974	EUR 69,093,889	EUR 61,891,023	11.64%
LIABILITIES: AMOUNTS DUE TO BE PAID WITHIN A PERIOD OF UP TO ONE YEAR	RON 85,248,150	RON 76,397,539	EUR 17,133,240	EUR 15,354,437	11.58%
LIABILITIES: AMOUNTS TO BE RECOVERED OVER A PERIOD OF MORE THAN ONE YEAR	RON 102,538,384	RON 95,954,744	EUR 20,608,245	EUR 19,285,060	6.86%
TOTAL LIABILITIES	RON 187,786,534	RON 172,352,283	EUR 37,741,485	EUR 34,639,497	8.96%
PROVISIONS	RON 16,815	RON 385,892	EUR 3,379	EUR 77,557	-95.64%
ADVANCE INCOME	RON 1,762,560	RON 1,867,001	EUR 354,241	EUR 375,231	-5.59%
EQUITY - TOTAL	RON 154,217,643	RON 133,339,798	EUR 30,994,783	EUR 26,798,737	15.66%
TOTAL EQUITY and LIABILITIES	RON 343,783,552	RON 307,944,974	EUR 69,093,889	EUR 61,891,023	11.64%

Equity



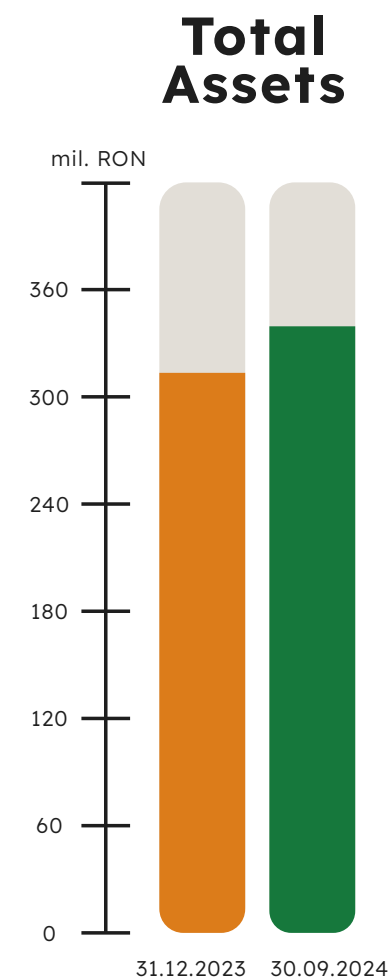
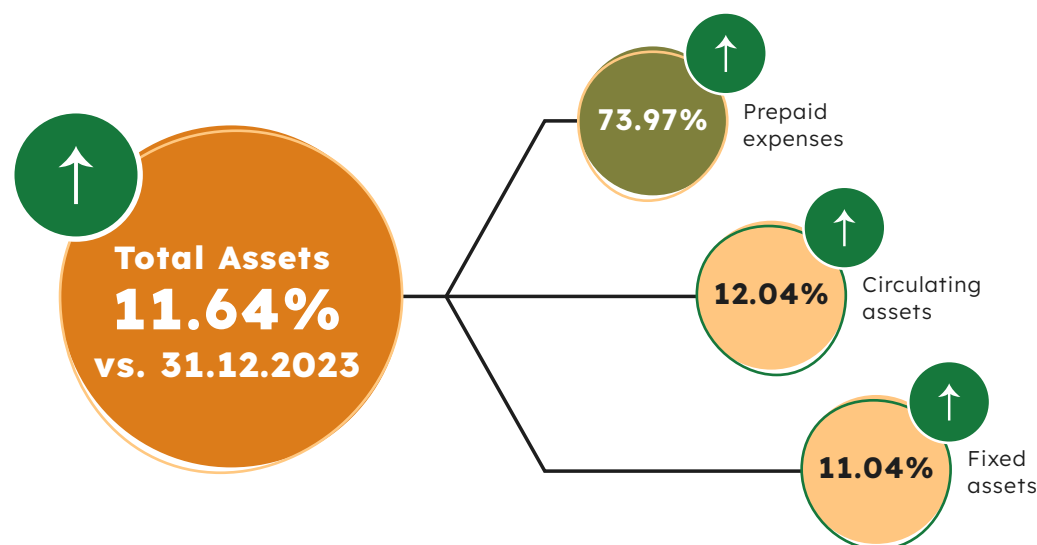
Analysis of the financial results

Analysis of the balance sheet at consolidated level

Fixed assets amounted **RON 236 million**, recording an **11% increase**.

This growth was due to the capitalization of dairy heifers entering the milk production process and the acquisition of agricultural equipment worth over EUR 1 million.

Current assets increased by 12% to RON 106 million during the analyzed period. The increase was primarily driven by a 22% rise in stocks, which reached RON 70 million. Receivables decreased by 2% to RON 34 million. The cash and bank accounts indicator decreased by 29% in the first nine months of 2024, amounting to RON 500 thousand, due to payments made to suppliers of goods and services. This led to a 1% decrease in trade payables compared to the first nine months of 2023.



Balance sheet indicators	30/09/2024		31/12/2023		30/09/2024		31/12/2023		Δ%
Fixed assets - total	RON	235,554,061	RON	212,141,058	EUR	47,341,840	EUR	42,636,277	11.04%
Circulating assets - total	RON	105,722,073	RON	94,362,606	EUR	21,248,105	EUR	18,965,071	12.04%
Prepaid expenses	RON	2,507,418	RON	1,441,310	EUR	503,943	EUR	289,676	73.97%
Total assets	RON	343,783,552	RON	307,944,974	EUR	69,093,889	EUR	61,891,023	11.64%

Analysis of the financial results

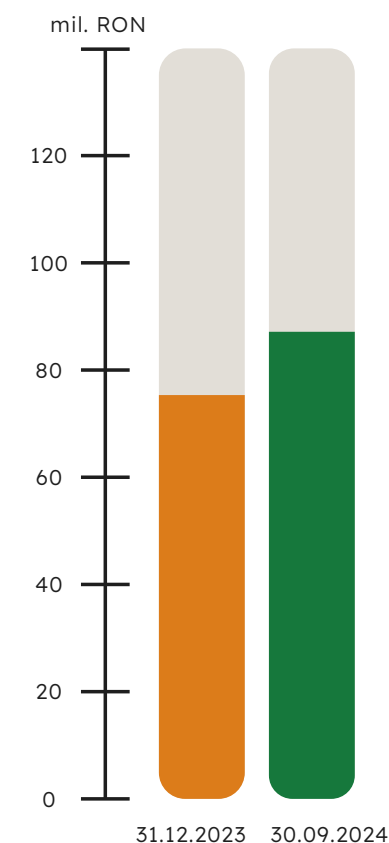
Analysis of the balance sheet at consolidated level

As of September 30, 2024, **short-term liabilities increased by 12%** compared to the end of 2023.

Trade payables decreased by 1%, or approximately RON 200 thousand. Short-term debts related to loan agreements remain at the same level as at the end of 2023. Short-term debts related to leasing contracts have increased by 66% due to the acquisition of technological equipment for agricultural operations. Salaries and social contributions liabilities decreased by 9%.

Short-term liabilities	30/09/2024		31/12/2023		30/09/2024		31/12/2023		Δ%
Short-term liabilities related to loan contracts	RON	31,197,798	RON	31,153,749	EUR	6,270,158	EUR	6,261,305	0.14%
Short-term liabilities related to leasing contracts	RON	5,961,298	RON	3,584,115	EUR	1,198,106	EUR	720,338	66.33%
Payments to be made for financial assets	RON	467,935	RON	467,841	EUR	94,046	EUR	94,027	0.02%
Commercial debts	RON	30,961,364	RON	31,176,758	EUR	6,222,639	EUR	6,265,929	-0.69%
Commercial liabilities to related parties	RON	9,176,758	RON	6,265,921	EUR	1,844,352	EUR	1,259,330	46.46%
Customer advances	RON	16,480	RON	7,159	EUR	3,312	EUR	1,439	130.20%
Diverse creditors	RON	3,820,777	RON	1,021,076	EUR	767,903	EUR	205,217	274.19%
Salaries and other dues payable to employees	RON	1,304,973	RON	1,405,436	EUR	262,274	EUR	282,466	-7.15%
Social insurance contributions	RON	684,962	RON	771,641	EUR	137,664	EUR	155,085	-11.23%
Income tax on salaries	RON	64,990	RON	65,914	EUR	13,062	EUR	13,247	-1.40%
Profit tax	RON	1,091,719	RON	84,739	EUR	219,415	EUR	17,031	1188.33%
VAT payable	RON	446,658	RON	347,524	EUR	89,770	EUR	69,846	28.53%
Other short-term liabilities	RON	52,438	RON	45,665	EUR	10,539	EUR	9,178	14.83%
Total	RON	85,248,150	RON	76,397,539	EUR	17,133,240	EUR	15,354,437	11.58%

Short-term liabilities



Analysis of the financial results

Analysis of the balance sheet at consolidated level

Long-term liabilities increased by 7% compared to the end of 2023, with the balance of long-term liabilities reaching **RON 103 million** as of September 30th, 2024.

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

Long-term loans from ING Bank decreased by RON 17 million, a decrease of 28% due to a refinancing by Exim Bank in April 2024 and the payment of maturing installments.

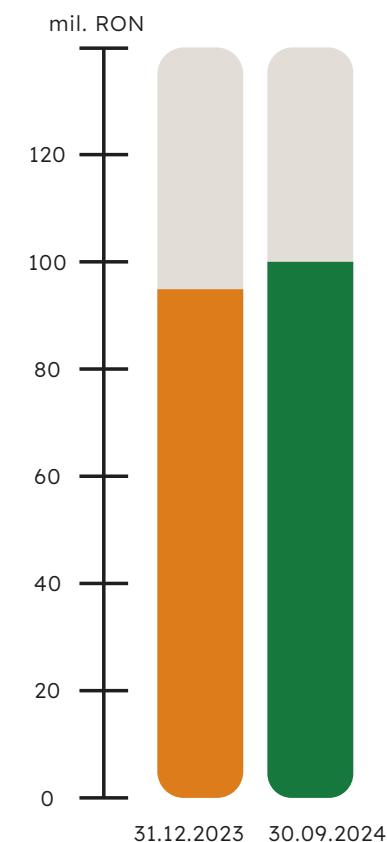
Loans under leasing contracts with BRD Sogelease increased by 19% to RON 9 million, due to the purchase of agricultural equipment and machinery.

Loans under leasing contracts with BT Leasing decreased by 41% to RON 717 thousand, due to the payment of maturing lease installments.

Loans related to Unicredit Leasing contracts decreased by 48% to RON 124 thousand due to the payment of overdue leasing installments.

Long-term liabilities	30/09/2024		31/12/2023		Δ%	
Loans from Exim Bank	RON	35,668,415	RON	10,932,150	EUR	7,168,666
Loans from ING	RON	48,737,829	RON	67,274,497	EUR	9,795,367
Leasing BT Leasing	RON	716,974	RON	1,215,708	EUR	144,098
Leasing BRD Sogelease	RON	8,642,657	RON	7,284,670	EUR	1,737,008
Leasing Unicredit	RON	123,696	RON	238,132	EUR	24,861
Payments to be made for financial assets	RON	1,013,861	RON	1,363,212	EUR	203,767
Other long-term liabilities (various guarantees)	RON	334,952	RON	46,375	EUR	67,319
Deferred tax	RON	7,300,000	RON	7,600,000	EUR	1,467,160
Total	RON	102,538,384	RON	95,954,744	EUR	20,608,245
					EUR	19,285,060
						6.86%

Long-term liabilities



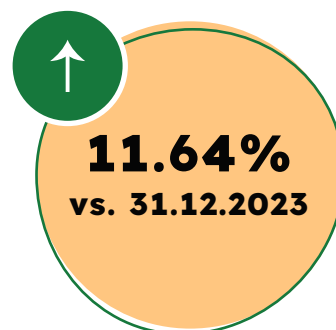
Analysis of the financial results

Analysis of the balance sheet at consolidated level

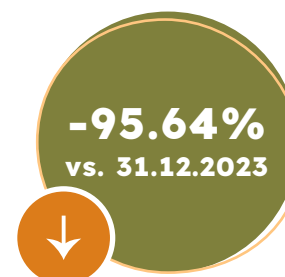
Provisions decreased by 96% in the first nine months of 2024 compared to the end of 2023, reaching **RON 17 thousand**.

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

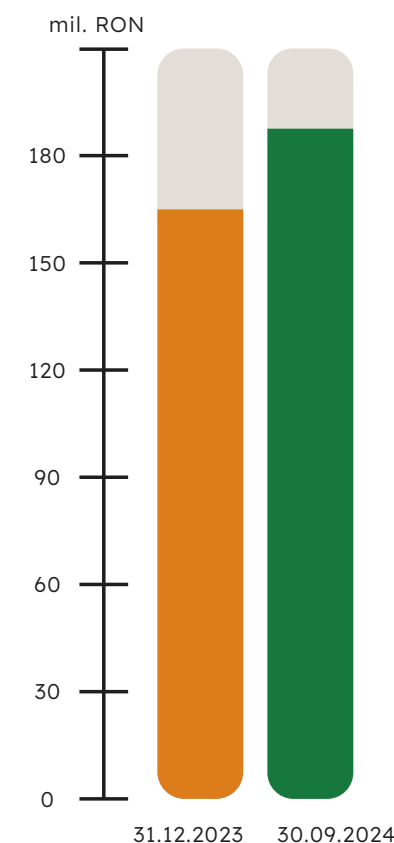
Total equity and liabilities



Provisions



Total debts



Balance sheet indicators	30/09/2024		31/12/2023		Δ%	
Liabilities: Amounts due to be paid within a period of up to one year	RON	85,248,150	RON	76,397,539	EUR	17,133,240
Liabilities: Amounts due to be paid over a period of more than one year	RON	102,538,384	RON	95,954,744	EUR	20,608,245
Debts - total	RON	187,786,534	RON	172,352,283	EUR	37,741,485
Provisions	RON	16,815	RON	385,892	EUR	3,379
Deferred revenues	RON	1,762,560	RON	1,867,001	EUR	354,241
Total shareholders' equity	RON	154,217,643	RON	133,339,798	EUR	30,994,783
Total equity and liabilities	RON	343,783,552	RON	307,944,974	EUR	69,093,889

Analysis of the financial results

Analysis of the balance sheet at consolidated level

Indicators	30/09/2024		31/12/2023		30/09/2024		31/12/2023		Δ%
I. Intangible assets	RON	5,364,396	RON	6,786,357	EUR	1,078,141	EUR	1,363,927	-20.95%
II. Tangible assets	RON	230,135,396	RON	205,300,332	EUR	46,252,793	EUR	41,261,422	12.10%
III. Financial assets	RON	54,270	RON	54,369	EUR	10,907	EUR	10,927	-0.18%
Fixed assets - total	RON	235,554,061	RON	212,141,058	EUR	47,341,840	EUR	42,636,277	11.04%
I. Stocks	RON	70,202,910	RON	57,700,705	EUR	14,109,436	EUR	11,596,733	21.67%
II. Receivables	RON	34,270,806	RON	34,905,208	EUR	6,887,774	EUR	7,015,276	-1.82%
IV. Cash and bank accounts	RON	1,248,357	RON	1,756,693	EUR	250,896	EUR	353,062	-28.94%
Circulating assets - total	RON	105,722,073	RON	94,362,606	EUR	21,248,105	EUR	18,965,071	12.04%
Prepaid expenses	RON	2,507,418	RON	1,441,310	EUR	503,943	EUR	289,676	73.97%
Amounts to be recovered within a period of up to one year	RON	973,228	RON	711,980	EUR	195,600	EUR	143,094	36.69%
Amounts to be recovered over a period of more than one year	RON	1,534,190	RON	729,330	EUR	308,343	EUR	146,581	110.36%
Liabilities: Amounts due to be paid within a period of up to one year	RON	85,248,150	RON	76,397,539	EUR	17,133,240	EUR	15,354,437	11.58%
Net current assets/ Net current liabilities	RON	21,307,896	RON	18,394,323	EUR	4,282,478	EUR	3,696,905	15.84%
Total assets minus current liabilities	RON	258,396,147	RON	231,264,711	EUR	51,932,661	EUR	46,479,763	11.73%
Liabilities: Amounts due to be paid over a period of more than one year	RON	102,538,384	RON	95,954,744	EUR	20,608,245	EUR	19,285,060	6.86%
Provisions	RON	16,815	RON	385,892	EUR	3,379	EUR	77,557	-95.64%
Prepaid income	RON	1,762,560	RON	1,867,001	EUR	354,241	EUR	375,231	-5.59%

Analysis of the financial results

Analysis of the balance sheet at consolidated level

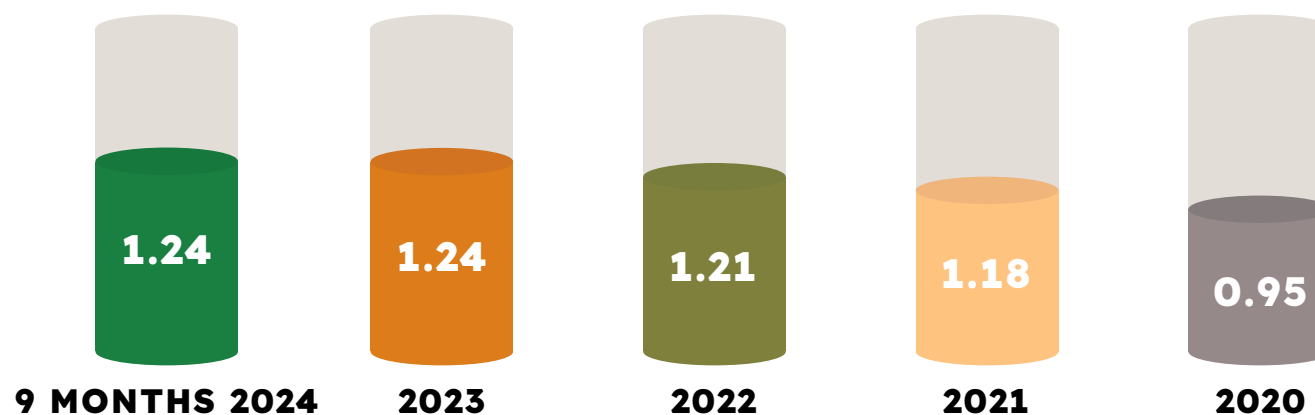
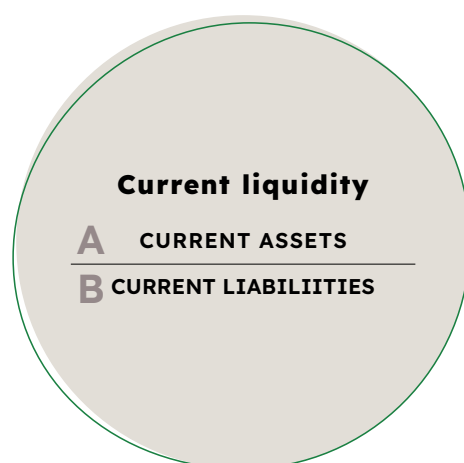
Indicators	30/09/2024		31/12/2023		30/09/2024		31/12/2023		Δ%
1. Investment subsidies	RON	1,762,560	RON	1,867,001	EUR	354,241	EUR	375,231	-5.59%
Amounts to be recovered within a period of up to one year	RON	139,255	RON	282,724	EUR	27,988	EUR	56,822	-50.75%
Amounts to be recovered over a period of more than one year	RON	1,623,305	RON	1,584,277	EUR	326,253	EUR	318,409	2.46%
Capital	RON	32,318,846	RON	31,985,512	EUR	6,495,467	EUR	6,428,473	1.04%
1. Subscribed and paid-up capital	RON	31,818,845	RON	31,818,845	EUR	6,394,976	EUR	6,394,976	0.00%
5. Other equity items DR/(CR)	RON	500,001	RON	166,667	EUR	100,491	EUR	33,497	200.00%
II. Capital premiums (ct. 104)	RON	734,004	RON	734,004	EUR	147,521	EUR	147,521	0.00%
III. Reserves from revaluation (ct. 105)	RON	31,603,166	RON	31,716,735	EUR	6,351,629	EUR	6,374,454	-0.36%
IV. Reserves	RON	808,213	RON	826,434	EUR	162,435	EUR	166,097	-2.20%
Own shares (ct 109)	RON	65,280	RON	(265,281)	EUR	13,120	EUR	(53,316)	-124.61%
Losses related to equity instruments	RON	200,001	RON	-	EUR	40,196	EUR	-	-
V. Carried-forward profit or loss - SOLD C	RON	67,940,996	RON	46,089,200	EUR	13,654,835	EUR	9,263,044	47.41%
VI. Profit or loss of the financial year - SOLD C	RON	21,077,699	RON	22,672,945	EUR	4,236,213	EUR	4,556,826	-7.04%
Profit distribution	RON	-	RON	(419,751)	EUR	-	EUR	(84,362)	-
Equity - total	RON	154,217,643	RON	133,339,798	EUR	30,994,783	EUR	26,798,737	15.66%

Analysis of the financial results

Key financial indicators at consolidated level

Current liquidity ratio	30/09/2024		31/12/2023		31/12/2022		31/12/2021		31/12/2020	
Current assets (A)	RON	105,722,073	RON	94,362,606	RON	72,472,451	RON	49,426,260	RON	22,362,883
Current liabilities (B)	RON	85,248,150	RON	76,397,539	RON	59,675,569	RON	41,793,980	RON	23,430,660
A/B	1.24		1.24		1.21		1.18		0.95	

Current liquidity ratio	30/09/2024		31/12/2023		31/12/2022		31/12/2021		31/12/2020	
Current assets (A)	EUR	21,248,105	EUR	18,965,071	EUR	14,565,570	EUR	9,933,729	EUR	4,494,510
Current liabilities (B)	EUR	17,133,240	EUR	15,354,437	EUR	11,993,643	EUR	8,399,787	EUR	4,709,112
A/B	1.24		1.24		1.21		1.18		0.95	

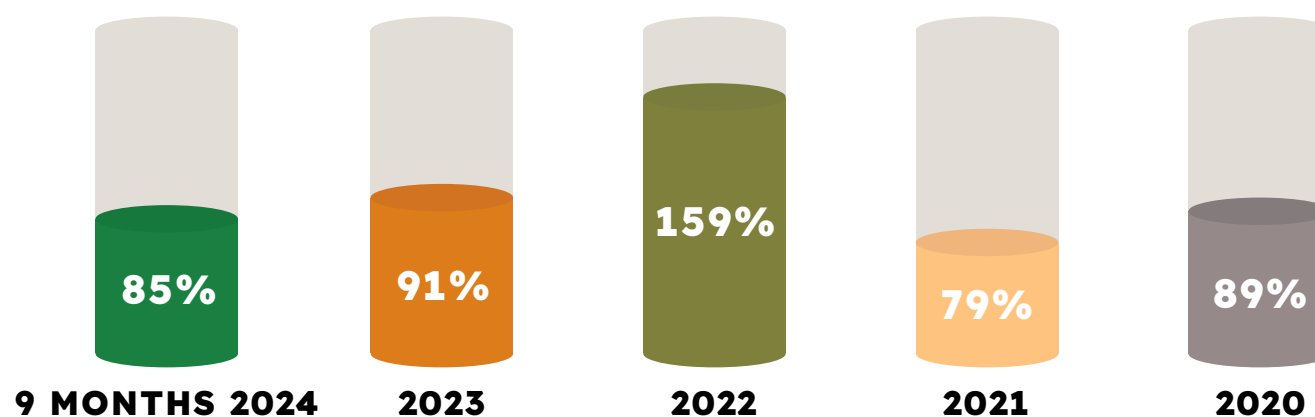
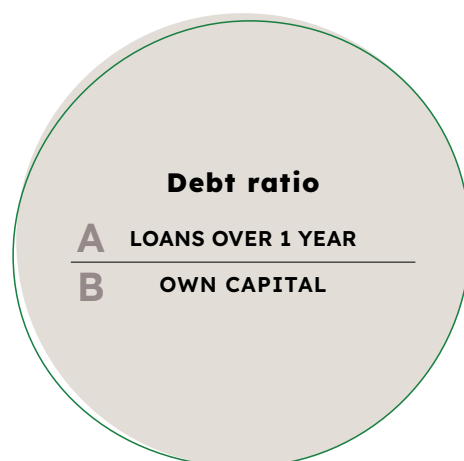


Analysis of the financial results

Key financial indicators at consolidated level

Debt-to-equity indicator	30/09/2024	31/12/2023	31/12/2022	31/12/2021	31/12/2020
Loan capital (A)	RON 131,199,302	RON 121,683,021	RON 126,397,863	RON 51,691,514	RON 26,614,807
Equity capital (B)	RON 154,217,643	RON 133,339,798	RON 79,661,430	RON 65,458,018	RON 29,844,190
A/B	85%	91%	159%	79%	89%

Debt-to-equity indicator	30/09/2024	31/12/2023	31/12/2022	31/12/2021	31/12/2020
Loan capital (A)	EUR 26,368,539	EUR 24,455,949	EUR 25,403,542	EUR 10,389,001	EUR 5,349,065
Equity capital (B)	EUR 30,994,783	EUR 26,798,737	EUR 16,010,417	EUR 13,155,804	EUR 5,998,109
A/B	85%	91%	159%	79%	89%

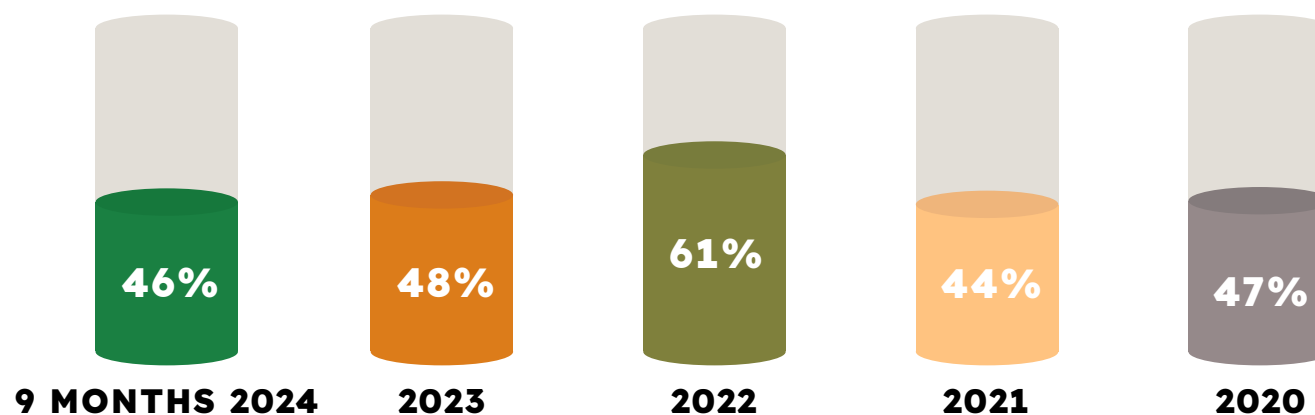
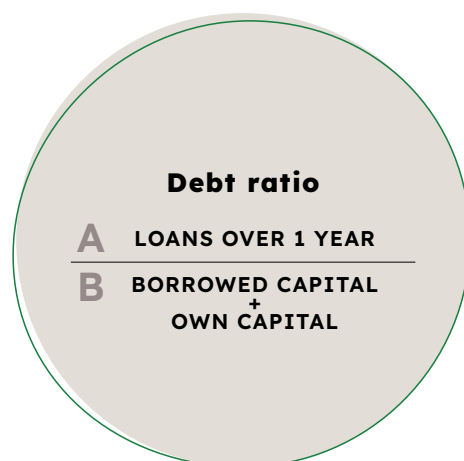


Analysis of the financial results

Key financial indicators at consolidated level

Debt-to-equity indicator	30/09/2024		31/12/2023		31/12/2022		31/12/2021		31/12/2020	
Loan capital (A)	RON	131,199,302	RON	121,683,021	RON	126,397,863	RON	51,691,514	RON	26,614,807
Capital employed (B)	RON	285,416,945	RON	255,022,819	RON	206,059,293	RON	117,149,532	RON	56,458,997
A/B	46%		48%		61%		44%		47%	

Debt-to-equity indicator	30/09/2024		31/12/2023		31/12/2022		31/12/2021		31/12/2020	
Loan capital (A)	EUR	26,368,539	EUR	24,455,949	EUR	25,403,542	EUR	10,389,001	EUR	5,349,065
Capital employed (B)	EUR	57,363,322	EUR	51,254,687	EUR	41,413,959	EUR	23,544,805	EUR	11,347,174
A/B	46%		48%		61%		44%		47%	

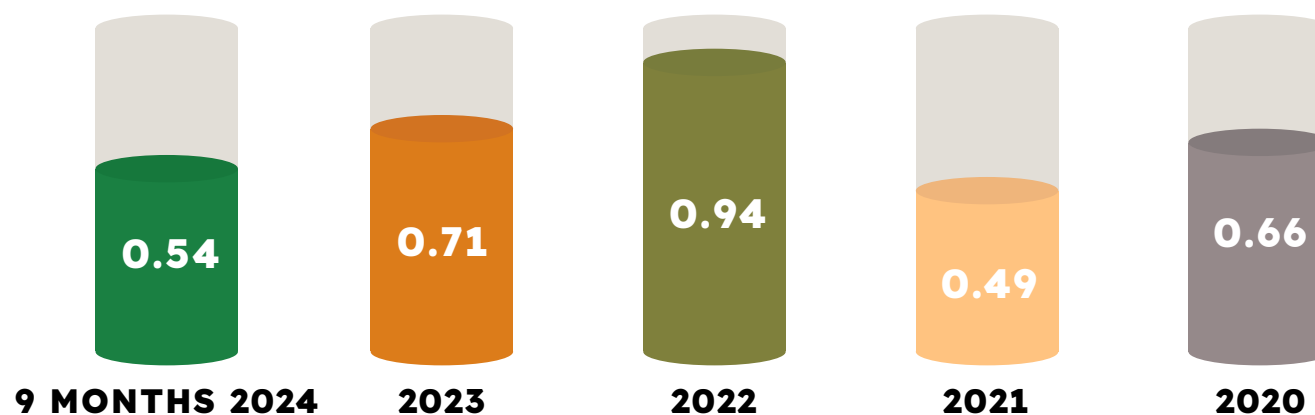
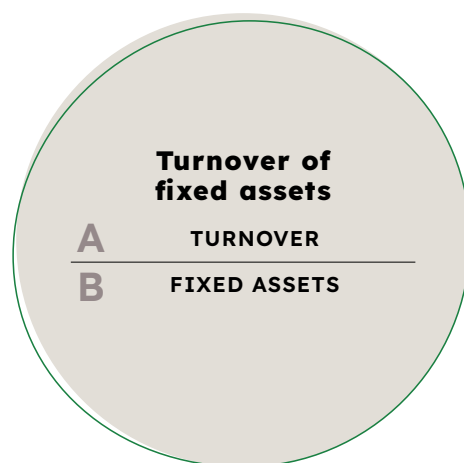


Analysis of the financial results

Key financial indicators at consolidated level

Turnover of fixed assets	30/09/2024	31/12/2023	31/12/2022	31/12/2021	31/12/2020
Turnover (A)	RON 126,792,531	RON 150,886,153	RON 150,789,463	RON 46,951,665	RON 38,220,407
Fixed assets (B)	RON 235,554,061	RON 212,141,058	RON 160,654,418	RON 96,416,465	RON 57,557,888
A/B	0.54	0.71	0.94	0.49	0.66

Turnover of fixed assets	30/09/2024	31/12/2023	31/12/2022	31/12/2021	31/12/2020
Turnover (A)	EUR 25,482,863	EUR 30,325,218	EUR 30,305,785	EUR 9,436,383	EUR 7,681,567
Fixed assets (B)	EUR 47,341,840	EUR 42,636,277	EUR 32,288,451	EUR 19,377,857	EUR 11,568,030
A/B	0.54	0.71	0.94	0.49	0.66



DN AGRAR PROJECTS

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Q&A with Peter de Boer, Strategy and IR Director



1. Can you provide details on the status of strategic projects such as the Straja farm and the compost factory, and what impact they are expected to have in 2024?

The compost factory project addresses two major challenges: efficient manure management and soil fertility improvement, while also contributing to the reduction of greenhouse gas emissions.

In November, DN AGRAR took a new step towards strengthening the Group's circular economic model by implementing the first automated manure composting unit at the Apold farm, that has the capacity to transform annually 21,000 tons of manure into 7,000 tons of organic fertilizer. We are currently focusing on optimizing the compost recipe. The fertilizer we produce will be used both for our own crops and for sale. Additionally, to increase the value of the product and access new markets, we have initiated the organic certification process and the acquisition of carbon certificates for the Romanian market.

The next step is to obtain the European market certification. These certifications will attest to the quality and natural origin of the product, opening up new market opportunities both locally and in Europe. To facilitate the sale of compost outside the group, we plan to invest approximately 40,000 euro in a packaging machine, allowing us to sell compost in various package sizes (5 Liters, 10Liters or 20 Liters).

Regarding the Straja farm, in the first 9 months of the year, progress has been made with the completion of the foundation works, the waste storage lagoon, a portion of the main hall, and preparations for the installation of the first rotor are also underway. Additionally, the construction of barns, which will hold 1,120 animals, has advanced, and the first milking parlor is expected to be operational at the beginning of 2025.

Weather conditions and bureaucratic delays have slightly impacted the timeline assumed, but have not jeopardized the completion of the project. Although these delays have temporarily affected operations at the Apold farm, where a significant part of the cows destined for the Straja farm are currently housed, this will not impact the completion of the project as planned by the end of 2027.



2. In October 2024, DN AGRAR has signed a partnership with BSOG Energy, to develop a biomethane production project with a capacity of up to 15 MW. What is the current state of biomethane production in Romania and what opportunities/challenges has for the agricultural sector?

As of 2022, Romania has a limited capacity for biomethane production, with only 23 MW of installed biogas capacity. This contrasts with the ambitious goal of achieving 4.27 TWh of biomethane consumption by 2030 and for biomethane to account for 5% of the country's natural gas consumption, and by 2050 to account 10% of natural gas consumption, on the country level. This significant gap presents a clear opportunity for investment and innovation in the sector.

Biomethane, an upgraded form of biogas, offers a sustainable and environmentally friendly solution to meet energy demands. Derived from renewable sources like agricultural residues, manure, and organic waste, biomethane can be seamlessly integrated into existing gas networks.

Romania's robust agricultural sector, one of the largest in Europe, with its vast amount of organic waste, provides an ideal feedstock for

Q&A with Peter de Boer, Strategy and IR Director

biomethane production. By leveraging this resource, the country can not only reduce its reliance on fossil fuels but also create new economic opportunities and contribute to a more sustainable future. At DN AGRAR, we are aware of the vast amount of organic waste much of which is currently underutilized. Animal manure is a promising resource—an opportunity that we, as an agricultural leader, can capitalize on.

The challenge lies in scaling up biomethane production, that is CAPEX intensive. This has blocked progress of the sector in many parts of Europe, including Romania.

Countries that have successfully expanded their biomethane sectors have done so by creating an adequate regulatory environment something Romania needs to emulate. In particular: allowing direct injection of biomethane into the grid, and, aligning the regime of the Guarantees of Origin to EU standards (GOs to be fully tradable) are critical steps to generate the needed investment in the sector.



3. How can Romania unlock its biomethane potential and what role can DN AGRAR play in this process?

DN AGRAR, as a leading player in the Romanian agricultural sector, is committed to contribute to the development of the biomethane industry. By leveraging its expertise and resources, the company can play a pivotal role in transforming agricultural waste into valuable energy. This not only reduces environmental impact but also creates new economic opportunities.

By investing in biomethane production, DN AGRAR aims to demonstrate the viability of this technology and encourage others to follow suit. Through collaboration with policymakers, industry partners, and investors, we can collectively unlock the full potential of biomethane and contribute to a more sustainable future for Romania.

The time is just right for Romania to unlock its biomethane potential. With the right regulatory framework, and industry cooperation, biomethane can play a critical role in Romania's energy transition, and we, at DN AGRAR, are committed to play a leading role in this transformation.

We invite investors to see biomethane not only as an environmental obligation but as a lucrative investment in Romania's sustainable future. Together, we can turn agricultural and organic waste into valuable energy, helping to decarbonize our economy, protect our environment in Romania for future generations.

4. How does DN AGRAR's development strategy align with global and national trends regarding sustainability and ESG investments?

DN AGRAR's development strategy is closely aligned with global and national trends regarding sustainability and ESG (Environmental, Social, and Governance) investments. We focus on adopting circular and sustainable agricultural practices that minimize waste and maximize resource efficiency, in line with global goals to reduce environmental impact.

Projects such as the compost factory and biomethane production demonstrate our commitment to sustainable practices. For example, the compost factory contributes to efficient agricultural waste management and creates an alternative business line, reducing dependency on chemical fertilizers and supporting a cleaner environment. The integrated project around the compost factory will also bring significant economic benefits, including additional revenue from compost sales and carbon credits earned through methane emission reductions.

Additionally, as part of DN AGRAR's sustainability strategy and to recognize our efforts to reduce carbon emissions, we have begun the process of obtaining voluntary carbon certificates.



DN AGRAR Projects

DN AGRAR Group is one of the largest milk producers in Europe and the largest integrated livestock farm in Romania.

DN AGRAR's investment portfolio for the first nine months of 2024 encompassed both **investments to increase the operational efficiency** at existing farms through modernization and automation, as well as ambitious **projects** in renewable energy.

Investments in technology and automation were complemented by strategic initiatives such as the construction of the Straja farm and the partnership with BSOG Energy for biomethane production.

The development of the compost factory along with the integration of biomethane production into DN AGRAR's portfolio, represents **a strategic step towards a circular economy** and demonstrates the company's vision of becoming a key player in sustainable agriculture and contributing to the development of a green economy.



The main investments made by DN AGRAR in development projects were focused on the directions detailed in the following pages.



DN AGRAR Projects

Straja project

The Straja project, DN AGRAR's newest farm, was **started in 2023** with the goal of increasing the company's production capacity by 5,000 animals.

The necessary financing for this project has secured by accessing a credit facility of EUR 9.2 million from Exim Banca Românească.

DN AGRAR will also contribute with 20.78% from its own sources. The funds will be used for the construction of the farm, the purchase of equipment and animals.

In the first 9 months of the year, the foundation works were completed and part of the main hall was constructed, along with the waste storage lagoon.

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.

The first milking operations at the Straja farm are scheduled at the beginning of 2025.

By this time, the farm will have 1,120 productive cows, and the first milking parlor will be fully operational.



1

DN AGRAR Projects

Compost factory

DN AGRAR has taken a significant step towards a more sustainable agriculture by **completing the first automated manure composting unit and organic fertilizer production facility in November 2024.**

Investing in the compost factory represents a **significant opportunity for DN AGRAR**, both in terms of diversifying and expanding the business, as well as from a financial perspective.

The EUR 1,8 million investment, made over 2 years, will allow DN AGRAR to develop an integrated organic waste management system, annually transforming 21,000 tons of manure into over 7,000 tons of high-quality organic fertilizer.

A composting cycle lasts between 27 and 30 days, to which is added approximately 2 months for optimizing the composition and adjusting the recipe, to obtain a superior quality compost.

The fertilizer obtained will be used both for our own needs and for sale, contributing to the company's revenue growth.

In addition, DN AGRAR has initiated the process of certifying the fertilizer as organic and obtaining voluntary carbon certificates, thus demonstrating its

commitment to the environment and responsible agricultural practices.

The Romanian certification process takes between 3 and 6 months, and once certified, these fertilizers can be marketed. Once the certification is completed, DN AGRAR estimates an increase in revenue, considering that the market price for a ton of organic fertilizer, packaged in large bags, is currently between 230 and 300 euros.

After achieving the Romanian certification, we will pursue the European certification to further expand our market reach and enhance our product's value.



2

DN AGRAR Projects

Partnership for a biomethane production project

DN AGRAR has signed a partnership with BSOG Energy, an energy company specialized in developing biomethane production projects in Romania, owned by Black Sea Oil & Gas, to develop a biomethane production project with a capacity of up to 15 MW.

The project was initiated by DN AGRAR in early 2024 to achieve sustainability goals and to create a new source of revenues.

DN AGRAR will supply the raw material for biomethane production through a long-term contract to ensure sustainability and BSOG Energy will develop the facility.

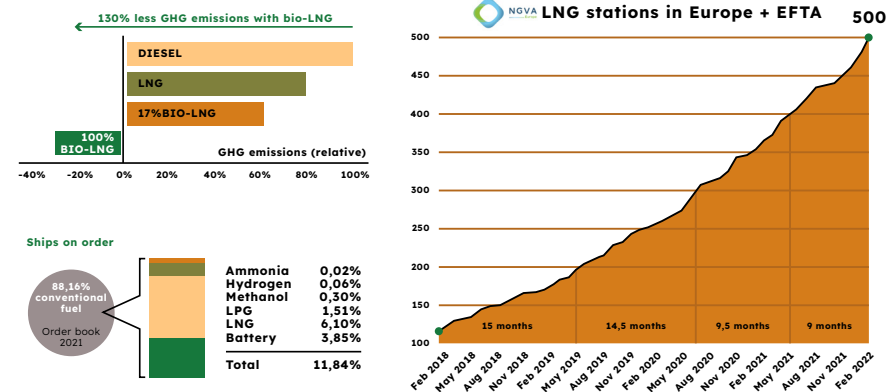
The overall investment in the facility is estimated to exceed EUR 30 million. Project execution is expected to take over 2 years from the signing of the final agreement.

Based on a 15-year contract, the expected yearly revenues for DN AGRAR will be between EUR 3 – 3.5 million.

By valorizing agricultural waste, this project will reduce greenhouse gas emissions and generate green energy.

In the context of a largely untapped potential of organic waste in agriculture, biomethane is emerging as a viable and sustainable energy solution for Romania. In agriculture and waste management, although there is a large amount of organic waste, much of it is currently unused and/or undervalued.

DN AGRAR, with its experience in the agricultural sector, is strategically positioned and can contribute to the development of a circular economy. Animal manure is a promising resource - an opportunity that we, at DN AGRAR, as an agricultural leader, can capitalize on. Through the partnership with BSOG Energy and the production of biomethane from the supplied manure, we can significantly reduce our environmental impact and create new business opportunities.



3

DN AGRAR Projects

Solar panels on the roof of farm buildings

Demonstrating its commitment to sustainable development, **DN AGRAR** has secured European funding to install solar panels on the roofs of its farms: DN AGRAR Apold, DN AGRAR Service (Cut), and Lacto Agrar, and their total eligible value for funding is EUR 900,000.

The projects, totaling 2,218 kW and covering an area of 9,900 square meters, have been approved and will contribute to reducing the company's carbon footprint. **The next step is to sign the contracts and obtain the funding to implement this project.**



4

DN AGRAR Projects

Obtaining voluntary certificates for reducing carbon emissions through the use of no-till and minimum-till technology

By implementing innovative and sustainable agricultural techniques, such as composting and no-till farming, **DN AGRAR aims to significantly reduce its carbon footprint.**

By embracing sustainable agricultural practices, DN AGRAR aims to obtain certifications that recognize its efforts to reduce carbon emissions, through the use of no-till and minimum-till technology.

This project, carried out over a large area, will lead to the sequestration of approximately 5,000 tons of CO₂ annually, thus contributing to environmental protection and the fight against climate change.

At the same time, we will create new opportunities for economic development, strengthening our position in the organic products market.

As part of DN AGRAR's sustainability strategy and in recognition of the efforts to reduce carbon emissions, **the company started the process of obtaining voluntary carbon certificates.** This project, which requires an initial investment of 180,000 euros and a two-year process, will enable DN AGRAR to obtain around 16,000 certificates per year and represents another confirmation of the company's commitment to the circular economy and sustainability.

DN AGRAR plans to develop the business line by building the sales channel and advancing with the certification process to achieve the international "Gold Standard" accreditation for carbon credit, which uses innovative approaches to quantify, certify, and maximize the impact on climate security and sustainable development under the Gold Standard for the Global Goals framework. The certification will be valid for 5 years.

5

MANAGEMENT STATEMENT

Alba-Iulia, 26th November 2024

Based on the best information available, we confirm that the unaudited consolidated interim financial statements prepared for the nine-month period ended at 30 September 2024, provides a correct and realistic picture of the assets, obligations, financial position and statement of income and expenses of DN AGRAR GROUP S.A., as provided by the applicable accounting standards, and that the Management Report provides a correct and realistic picture of the important events that took place during the first nine months of the financial year 2024 and their impact on the unaudited consolidated interim financial statements.

Jan Gijsbertus de Boer

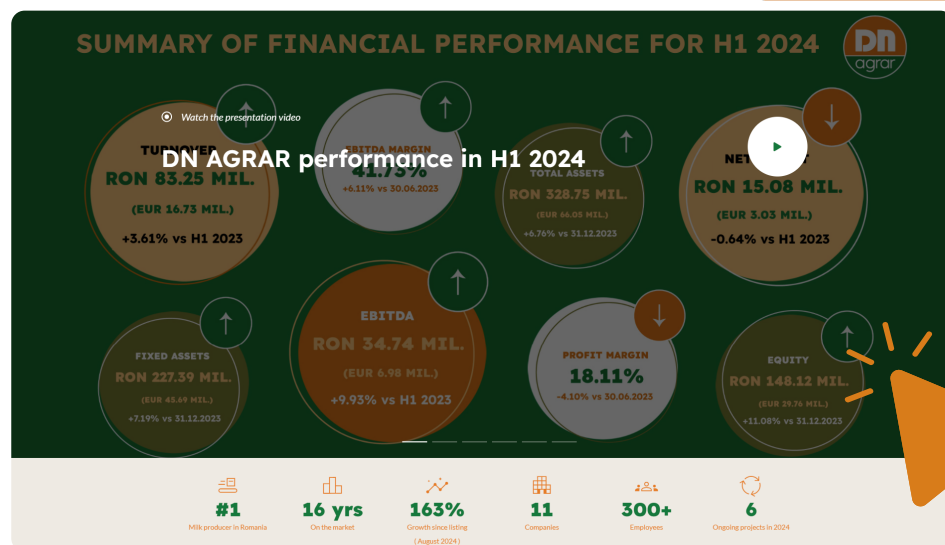
Chairman of the Board of Directors of DN AGRAR GROUP S.A.

CONTACT

Website: www.dn-agrar.eu

On the DN AGRAR company website, you can find press releases, financial reports, annual reports, presentations, the financial calendar, and other relevant information for shareholders, accessible through the Euroland interactive tool.

Visit our page and subscribe to our newsletter to keep up to date with our work.



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Happy Cows - Healthy Milk - Satisfied Customers