

To:
Bucharest Stock Exchange
Financial Supervisory Authority

CURRENT REPORT

In accordance with Law no. 24/2017 regarding issuers of financial instruments and market operations (republished) and ASF Regulation no. 5/2018 on issuers of financial instruments and market operations.

Report date:	06.12.2023
Name of issuer:	DN AGRAR GROUP SA
Headquarters:	Alba-Iulia, Piața Iuliu Maniu, nr. 1, bl. 31DE, Județul Alba
E-mail:	investors@dn-agrar.eu
Telephone / Fax:	0258.818.114, 0258.818.119
Website:	www.dn-agrar.eu
Registration at Trade Register no./date:	J01/730/2008
Tax identification code:	RO24020501
Subscribed and paid-in share capital:	31.818.844,80 lei
Shares no.:	159.094.224
Market symbol:	DN
Trading market:	MTS AeRO Premium

Important events that need to be reported: Availability of recording of the teleconference for the presentation of 9 months results, perspectives for 2023 and working scenarios until 2027

DN AGRAR GROUP S.A. (DN) informs shareholders and investors about the availability of the recording of the results teleconference from 29 November 2023 and the outlook for 2023.

Key messages delivered during the teleconference from 29 November 2023:

- DN AGRAR focuses on developing the company and increasing milk production. By 2027, the company aims to double the business and takes into account 4 possible scenarios that take into consideration the evolution of the milk prices and the

macroeconomic context (details below). The company estimates that daily milk production will reach 300,000 liters in 2026/2027.

- The company is advancing with the compost factory, the project for the installation of solar panels and also with the Straja project where it will produce milk starting with the second part of 2024. For the Straja project, DN AGRAR will use bank financing.
- The company is also exploring options for a project to produce biogas together with a partner. To diversify the business, the company also takes into account vertical farming.
- Regarding the customer base, DN AGRAR is in advanced discussions to conclude a contract with a new customer from the milk processing sector. This new collaboration will involve the supply of 1 million liters of milk per month and we expect to start the collaboration at the beginning of next year.

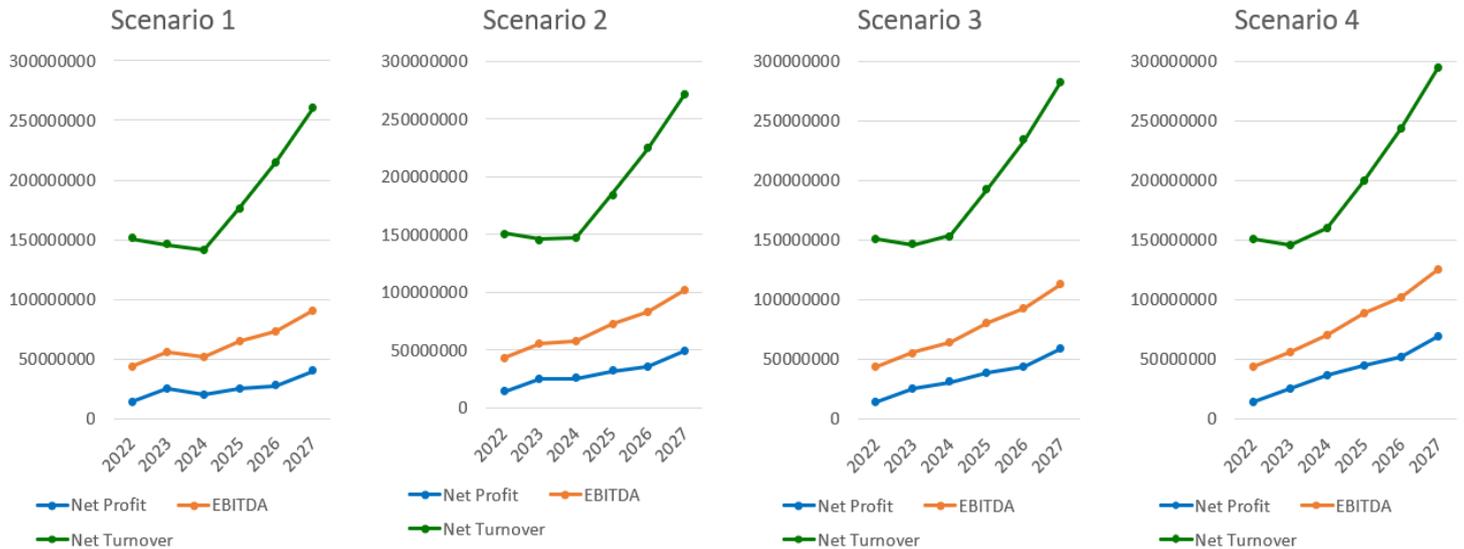
The recording of the teleconference, both in English and Romanian, can be accessed at the following links: <https://dn-agrar.eu/ro/investors/reports-presentation/> / <https://dn-agrar.eu/investors/reports-presentation/>

Perspectives 2023:

- For the last part of this year, we expect an increase in the turnover, EBITDA and net profit. Net profit will register an increase in the 4th quarter of 2023, but not at the same pace as it has recorded in the other quarters of this year. We estimate turnover for 2023 to be between 143 and 150 million lei and EBITDA between 53 and 60 million lei.
- The company's profitability is influenced by several main factors, including tax incentives granted to employees in the agricultural sector, the selling price of cereals, the cost of production for cereals, as well as the selling price of milk to processors.
- The situation in the Ukraine, has brought a major drop in grain prices, which has a direct influence on revenues from this sector. The company calculates the actual cost of production of crops made only in the last quarter of each year initially, production is recorded at a standard (estimated) cost, following that at the end of the year, cost differences from those estimated to be recorded. Further on, for the cereal stocks existing on 31.12.2023, provisions must be made, taking into account that we are in a position in which the market price of the products is lower than the actual cost of production.
- Regarding the selling milk price, for the last quarter of 2023, we estimate it will be lower than it was in the first 9 months of this year. For December 2023, we see a slight increase in milk prices and a more significant increase in January of next year.

Scenarios for evolution of the company for 2024 - 2027:

For the coming years, DN AGRAR takes into account 4 possible scenarios, regarding the evolution of the business and main indicators, as is detailed below.



In the scenarios above were considered both the Straja project – the new farm of DN AGRAR, and the compost factory.

- In scenario 1, the selling price of milk is considered to be close to this year's lowest selling price.
- In scenario 2, is considered the milk price at the average price level we achieved from the sale of production in November this year.
- In scenario 3, the price of milk is considered as being at the level of the annual average at which we sold milk this year.
- Scenario 4 takes into account a positive evolution in the milk price, higher than the average selling price in 2023, but at a significantly lower level than the sales price from the first quarter of this year.

We consider scenario 2 or 3 to be the most achievable, taking into account the prospects for the evolution of the milk market in the future.

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Chairman of the Board of Directors