

## **DN AGRAR: The compost factory becomes operational following an investment of euro 1.8 million**

### *Press Release*

Alba Iulia, November 5th, 2024 - DN AGRAR Group (BVB: [DN](#)), the largest integrated livestock farm in Romania, leader in cow milk production, starts the operational activities at the compost factory built at the DN AGRAR Apold farm following the finalization of the first automated manure composting unit and organic fertilizer production facility. In the past 2 years, the company finalized the feasibility study and the construction of the facility towards developing an integrated organic waste management system. This unit will transform 21,000 tons of manure annually into over 7,000 tons of organic fertilizer. The total investment in the compost factory is approximately euros 1.8 million.

### **Peter de Boer, Board Member & Strategy and IR Director, DN AGRAR Group:**

„DN AGRAR marks another step towards strengthening the circular economic model at Group level by implementing the first automated manure composting unit at Apold farm. In parallel with the start of the operations, we have embarked on the process to obtain voluntary carbon certification for the compost produced, and by the end of 2026, we expect to receive the first carbon credits. The integrated project built around the compost factory will generate significant economic benefits, including additional revenues for sales and from carbon credits earned through methane emission reductions.”

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

DN AGRAR's target for the compost factory is to use the organic fertilizers produced for internal needs and to also sell outside the Group. The process of certifying fertilizers as organic typically takes between 3 to 6 months. Once certified, DN AGRAR expects to register an increase in revenues, as the market price for a ton of organic fertilizer in big bags is currently between 230 - 300 euros.

In 2025, a significant part of the total produced fertilizer will remain within the Group, to test and optimize the product for certification as organic fertilizer. By valorizing the manure, the compost that will be used internally will bring efficiencies to the current operations as it will significantly reduce transportation and management costs. In addition to the economic benefits that the production of compost will bring, it will improve soil fertility and will reduce the usage of chemical fertilizers.

Meanwhile, 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.

DN AGRAR's goal is to transform the company into a leader in sustainable agriculture, significantly cutting carbon emissions from the current activities. DN AGRAR recently announced the signing of a cooperation agreement for the largest biomethane production facility in Romania, with a total capacity of up to 15 MW, and will provide the raw materials for biomethane production through a long-term contract to ensure the sustainability of the project, while BSOG Energy will develop the necessary infrastructure.

### **About DN AGRAR Group**

DN AGRAR Group is the largest cow milk producer in Romania and one of the major players on the European market. The company was founded in 2008 by Jan Gijsbertus de Boer and operates in the center of Transylvania, in Alba, Sibiu, and Hunedoara counties. DN AGRAR's main areas of activity are animal husbandry, agricultural crop production, agricultural services, logistics, transportation, tourism, and business and management consultancy services. The DN AGRAR Group includes 11 companies, 4 farms whose main activity is dairy cattle breeding (Prodact farm) and cow's milk production (Cut, Lacto Agrar and Apold farms). DN AGRAR Group employs approximately 300 people, works over 7,000 hectares of owned and leased land, and has over 15,000 animals, both dairy cows and young cattle.

The company has been listed on the Bucharest Stock Exchange, AeRO market, since February 2022, following the successful completion of a private placement of shares in July 2021, through which the company attracted RON 24.8 million from investors. As of September 19th, 2022, DN AGRAR shares are included in the BETAeRO index of the most traded companies in the Multilateral Trading System SMT and, as of March 1st, 2024, DN AGRAR shares are also included in the MSCI Frontier IMI and MSCI Romania IMI (Investable Market Indices) indices, in the Small Cap category. More details at <https://dn-agrar.eu>

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

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

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