STRATEGY 2025 - 2030

Disclaimer - Strategic Outlook 2025–2030

This presentation outlines DN AGRAR's Strategic Vision for the period 2025-2030, including four financial scenarios intended to provide insight into the management team's current outlook and ambitions for the company's development.

The purpose of this strategic overview is to transparently communicate DN AGRAR's medium-to-long-term direction, priorities, and investment considerations, as envisioned by the management team at the time of presentation.

It is important to note that this strategic plan, including the financial scenarios and investment goals, does not constitute a commitment or guarantee that all objectives will be fully realized or implemented.

The strategy represents a forward-looking vision that is inherently subject to risks, uncertainties, and evolving market conditions.

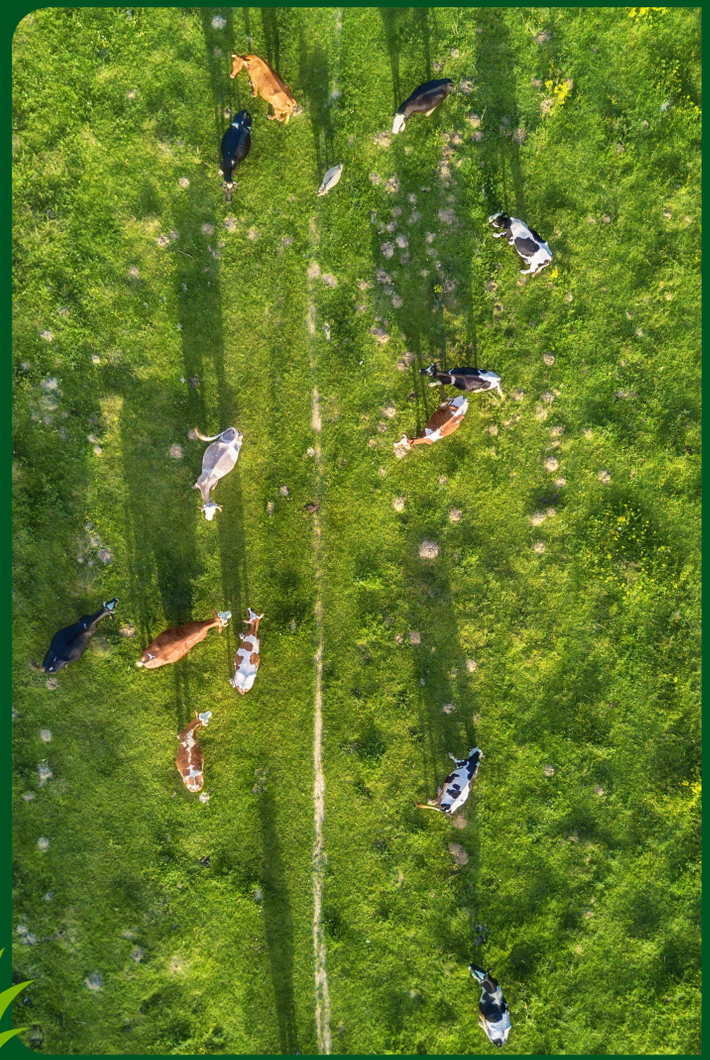
Assumptions underpinning the scenarios may be impacted by a range of external factors, including but not limited to macroeconomic developments, agricultural market dynamics, climate conditions, political shifts, and legislative or regulatory changes in Romania and globally.

DN AGRAR is committed to maintaining an agile and adaptive strategic approach. The strategy will be reviewed on a regular basis and formally updated at least once per year to ensure alignment with emerging trends, stakeholder interests, and the broader operating environment.

We emphasize that the ongoing monitoring and refinement of our strategic direction is essential to safeguarding the long-term interests of our investors and all stakeholders, while striving to maximize sustainable value creation.

Investors are advised to interpret this document as a dynamic framework subject to ongoing evaluation rather than a definitive roadmap.

STRATEGY 2025-2030



DN AGRAR Group Unveils Ambitious Strategy for 2030:

PAVING THE WAY FOR GROWTH

INNOVATION

VALUE CREATION

DN AGRAR Group S.A., a recognized leader in the European agricultural sector, is proud to announce its bold new strategy for the next decade. As we look toward 2030, **our commitment to growth, innovation, and sustainability is stronger than ever**. This strategy is designed to not only position us as a forward-thinking industry leader but also to **deliver exceptional value to our investors, partners, employees and other stakeholders**.

As the agricultural landscape rapidly evolves—driven by technological advancements, climate challenges, and shifting consumer needs—DN AGRAR Group S.A. is taking decisive steps to stay ahead of the curve. Our new strategic vision leverages decades of expertise while addressing the needs and opportunities of the future. **We are determined to lead, adapt, and deliver on our promise of long-term value creation.**

Our strategy 2030 is underpinned by FIVE CORE PILLARS:

- **diversification**
- **sustainability**
- **digital & automation transformation, and cost optimization**
- **expansion of current business lines**
- **value creation for our investors**

We are focused on diversifying our business lines to tap into new markets, maximize efficiencies, and create a more resilient business model.

This diversification will open new growth avenues, increase our competitiveness, and strengthen our position across the entire agri-food value chain.

A key component of our strategy is the creation of industrial clusters for sustainable food production.

By integrating complementary production facilities, we will optimize supply chains, reduce waste, and maximize efficiency across our operations.

These clusters will not only streamline our processes but also foster synergies between our different business lines, making our operations more effective, sustainable, and resilient.

By leveraging these synergies, we will create a robust ecosystem that enhances productivity while minimizing environmental impact, driving greater long-term value.

Sustainable food production remains a cornerstone of our strategy. With food security challenges intensifying, particularly in regions facing local food deficits, we are doubling down on our efforts to drive sustainable and efficient agricultural practices.

Our goal is to enhance local production capabilities, reduce food shortages, and ensure more people have access to high-quality, nutritious, locally-produced food.

For our investors, this strategy is about delivering superior returns through operational excellence, strategic market expansion, and a focus on high-growth, sustainable opportunities. As we execute this strategy, we are positioning DN AGRAR Group S.A. for strong financial performance that will generate long-term value. A critical milestone in this journey is our planned upgrade to the Main Market of the Bucharest Stock Exchange. This move will elevate our visibility, enhance liquidity, and provide us with the capital necessary to fuel future growth, making us an even more attractive investment proposition.

As DN AGRAR Group S.A. continues to expand and diversify, we are focused on building lasting, long-term value for our investors. Our comprehensive strategy positions us as a company poised for success, ready to lead in a rapidly changing market while ensuring sustainable returns for all stakeholders.

JOIN US

as we embark on this exciting new chapter, driving growth, innovation, and value creation well into the future

SWOT Analysis

- Integrated Agribusiness Model
- Strong Position in Romanian Dairy Market
- Technological Leadership
- Strategic Access to EU Funds
- Robust Strategic Roadmap

- Geographic Concentration Risk
- High Capital Intensity
- Dependency on EU Subsidies
- Limited Consumer Brand Recognition
- Labor and Workforce Challenges

- Rising Demand for Sustainable Dairy and Traceable Food Sources
- Expansion into Value-Added Commodity
- Land Value Appreciation and Strategic Acquisitions
- Carbon Credit and Circular Economy Opportunities
- Digital Transformation and Smart Farming
- High-Value Greenhouse & Vertical Farming
- Expansion in the Region
- Food Deficit
- Farm to Fork

- Commodity Price Volatility
- Climate Change and Environmental Risks
- Regulatory and Political Risks
- Competitive Pressure from Multinationals
- Biosecurity and Animal Health Risks

SWOT Analysis

STRENGTHS

Integrated Agribusiness Model

Combining dairy, crop production, composting, and energy (biomethane, solar), to create cost synergies and circular economy benefits.

Strong Position in Romanian Dairy Market

One of Romania's largest dairy, with over 60 million liters delivered in 2024 and a herd of 16,000, from economies of scale and improved bargaining power with processors.

Technological Leadership

State-of-the-art facilities in the dairy farms, precision agriculture, and livestock monitoring technology, leading to higher productivity, improved animal welfare, and lower per-unit costs.

Strategic Access to EU Funds

The company can benefit from European Union Common Agricultural Policy (CAP) subsidies and funds for key projects, supporting capital-intensive expansion while mitigating financial risk.

Robust Strategic Roadmap

The 2025–2030 investment plan includes vertical farming, greenhouse complexes, biogas, and market expansion into Romania, Poland, Hungary and Bulgaria.

SWOT Analysis

WEAKNESSES

Geographic Concentration Risk

Heavily centered in Romania, exposing the company to localized risks (climate, political, regulatory).

High Capital Intensity:

Agribusiness—especially dairy production—is capital-intensive. Financed through loans, internal cash flow, and capital injections, increased debt service may lead to short-term liquidity constraints during market downturns or if financing costs rise.

Dependency on EU Subsidies

While subsidies are a strength, over-reliance exposes the firm to regulatory risk should CAP reform or EU budget cuts materialize.

Limited Consumer Brand Recognition

Unlike consumer-facing agri-food companies, DN AGRAR operates largely in B2B channels and has limited direct consumer brand equity, reducing pricing power and brand-driven revenue resilience.

Labor and Workforce Challenges

Agricultural sectors across Eastern Europe face aging labor forces and a shortage of skilled workers, particularly in high-tech farming operations, and talent gaps may hinder technology adoption and maintenance.

W

SWOT Analysis

OPPORTUNITIES

Rising Demand for Sustainable Dairy and Traceable Food Sources

European consumers are increasingly willing to pay premiums for sustainably sourced, traceable products.
Growth lever: DN AGRAR can leverage its technology-driven practices to meet ESG-focused demand, ISO standards and certification.

Expansion into Value-Added Commodity

Moving further downstream into dairy processing (e.g., butter, fat, milk powder, protein lines) could significantly boost margins and diversify revenue streams and categories of clients.
Growth lever: Capture premium market segments and increase customer stickiness.

Land Value Appreciation and Strategic Acquisitions

Agricultural land in Romania continues to appreciate in value, providing asset-based growth potential. DN AGRAR's M&A track record positions it to consolidate fragmented assets efficiently.
Growth lever: Consolidate on the Romanian market.

Carbon Credit and Circular Economy Opportunities

The shift to regenerative agriculture and carbon sequestration could create new revenue streams through carbon trading markets and circular economy initiatives.
Growth lever: Alternative revenue streams and better investor positioning.

SWOT Analysis

OPPORTUNITIES

Digital Transformation and Smart Farming

AI, IoT (Internet of Things), and drone technologies in agriculture can enhance productivity and cost efficiency. DN AGRAR is well-positioned to lead in this sector in Eastern Europe.
Growth lever: Enhances productivity and offers data monetization potential.

High-Value Greenhouse & Vertical Farming

With protected cultivation covering only ~10% of production in Romania, leafy greens, and tomatoes offer high ROI by filling off-season gaps and reducing costly imports-creating a strong first-mover advantage.
Growth lever: Addresses seasonal supply gaps and opens new revenue from vegetables.

Expansion in the Region

Plans for strategic entry into **Poland, Hungary, Bulgaria** via exports, M&A, or cluster models. These markets show rising demand for traceable, high-quality dairy and vegetables.
Growth lever: Expand customer base and mitigate geographic concentration.

Food Deficit

Romania is currently experiencing a food deficit, despite the government's aim to transition from food imports dependency on achieving food production independence.
Growth lever: Capture unmet demand in the local market.

Farm to Fork

The current trend is towards consuming locally produced and sustainable food.
Growth lever: Gain competitive advantage in new and premium markets.

SWOT Analysis

THREATS

Commodity Price Volatility

Prices for milk, feed, fuel, and fertilizer remain highly volatile, impacting input-output margins even with internal feed production.
Risk: Squeezed margins during adverse commodity cycles.

Climate Change and Environmental Risks

Increased frequency of droughts or extreme weather can devastate crop yields and animal productivity. While technology, Wheatgrass production can mitigate some effects, climate unpredictability remains a core threat.
Risk: Operational volatility and increased insurance or mitigation costs.

Regulatory and Political Risks

Changes in EU agricultural policy, constant change into Romanian legislation, or environmental regulation could materially impact profitability, especially if subsidy structures shift.

Romania's legislation regarding dairy products price cap is unpredictable.
Risk: Regulatory compliance costs and strategic pivots needed.

Competitive Pressure from Multinationals

Global agri-food giants expanding into Eastern Europe could challenge DN AGRAR's market share, particularly in value-added processing or premium dairy segments.
Risk: Erosion of market share and pricing power without brand or innovation moat.

Biosecurity and Animal Health Risks

Outbreaks of diseases (e.g., foot-and-mouth, avian flu analogs) could decimate herds and production capacity, impacting revenues and requiring expensive containment measures.
Risk: Reputational damage and lost revenue from herd shutdowns.

T

Porter's five forces analysis

FORCE	INTENSITY / DEGREE OF INFLUENCE	KEY GROWTH LEVER
Threat of New Entrants	L M	Maintain tech edge and capital barriers through vertical integration.
Bargaining Power of Suppliers	M	Scale in-house inputs (feed, compost) and build strategic supplier partnerships.
Bargaining Power of Buyers	M H	Develop proprietary, value-added products and branded verticals to reduce buyer leverage.
Threat of Substitutes	M	Invest in R&D and sustainability-driven differentiation to defend against plant-based alternatives.
Competitive Rivalry	H	Drive innovation and pursue M&A to consolidate regional market and reduce fragmentation.

LOW | MODERATE | HIGH

Porter's five forces analysis

Threat of New Entrants

L M

Competitive Assessment:

The agribusiness and dairy sectors require significant capital, land, technical knowledge, and regulatory approvals. Vertical integration (crop, livestock, energy, waste) and circular economy models are difficult to replicate quickly.

Strategic Insight:

DN AGRAR's model with early investments in high-tech farms, renewable energy, and vertical integration creates substantial entry barriers for smaller or late-moving players.

Growth Lever:

Maintain high capital intensity and tech and sustainability differentiation (robotic milking, vertical farming, biogas) to protect market position and brand the company as an innovation leader.

Bargaining Power of Suppliers

M

Competitive Assessment:

DN AGRAR reduces dependency through internal feed production, in-house compost, and access to EU-subsidized infrastructure. However, it still relies on third parties for energy, equipment, genetics, and technology.

Strategic Insight:

Supplier power is mitigated by internal capabilities, but global fluctuations in input costs (energy, machinery) remain a vulnerability.

Growth Lever:

Expand in-house inputs (compost, feedstock) and build strategic partnerships with suppliers to negotiate better terms and reduce cost volatility.

Porter's five forces analysis

Bargaining Power of Buyers

M → H

Competitive Assessment:

As a B2B supplier, DN AGRAR's pricing is influenced by processors and distributors. However, the company has a long-term partnership with its main buyer, and the price set follows the European reference. Nevertheless, the absence of consumer-facing dairy brands limits direct control over price setting.

Strategic Insight:

Buyers have leverage in commodity-based contracts, especially for raw milk. However, value-added product lines and export diversification can shift this balance.

Growth Lever:

Develop proprietary dairy products and explore branded verticals (e.g., organic milk, premium feed, ESG-certified exports) to expand the potential client base. Product and commodity differentiation will facilitate access to a broader range of clients, including major food producers and bakeries.

Threat of Substitutes

M

Competitive Assessment:

In dairy, plant-based alternatives are gaining ground among health-conscious and ESG-oriented consumers. In feed, conventional options remain viable but more volatile.

Strategic Insight:

DN AGRAR mitigates this through sustainability positioning, circular farming, and nutritional advantages of wheatgrass-enhanced milk quality.

Growth Lever:

Invest in R&D for functional and differentiated products (e.g., high-protein dairy, wellness-focused offerings) and emphasize sustainability and traceability to defend market share.

Porter's five forces analysis

Competitive Rivalry

H

Competitive Assessment:

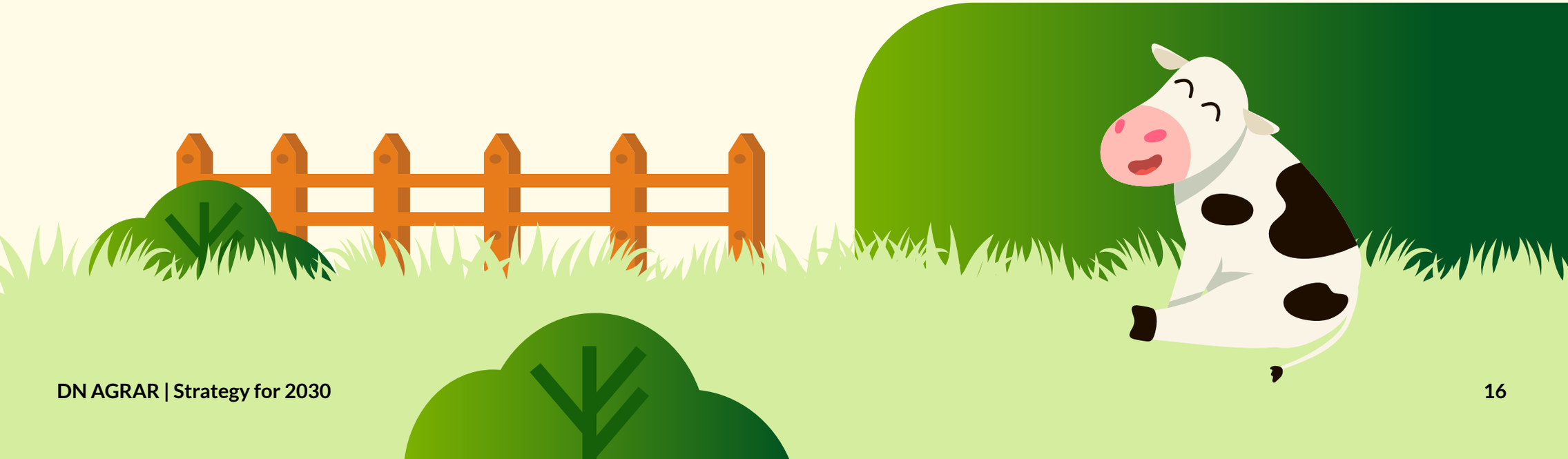
The regional agrifood market is fragmented but intensifying, with multinationals expanding and local players scaling up with subsidies. Price-based competition is fierce, especially in raw commodities.

Strategic Insight:

DN AGRAR's tech edge, scale, and diversified business model provide a buffer—but continued innovation and efficiency are vital to stay ahead.

Growth Lever:

Double down on innovation (biogas, vertical farming, integrated clusters) and execute regional M&A in fragmented markets to consolidate leadership.



DN AGRAR Strategy for 2030: A Vision for Growth, Innovation, and Value Creation

The DN AGRAR Strategy for 2030 is designed to position the Group as a dominant player in the European agricultural market, combining cutting-edge technology, sustainable practices, and diversified revenue streams to drive exceptional growth and long-term value for investors. **This strategic blueprint outlines our ambitious investment plans and market expansion initiatives, all aimed at maximizing returns and accelerating shareholder value.**

BUSINESS SEGMENTS:

1. **MILK Production**
2. **COMPOST**
3. **GREEN ENERGY**
4. **VERTICAL FARMING Production for wheatgrass**
5. **ALTERNATIVES for VALORIZING MILK**
6. **GREENHOUSES**

1 MILK Production

Investment in CUT 2 Farm

We are launching the CUT 2 Farm, a state-of-the-art dairy facility with a capacity of 5,000 cows and a daily milk production of 150,000 liters. This high-tech farm will be a cornerstone of our expansion, powered by innovative milking systems and sustainable energy solutions, such as solar panels. By integrating automation and sustainability, the farm will deliver significant operational efficiencies and higher milk yields, ensuring strong margins and a rapid return on investment.

Research & Development for Straja 2 Farm

DN AGRAR is committed to innovation through research and development, particularly for the Straja 2 Farm. This farm will enhance our dairy operations and enable us to meet the increasing demand for sustainable milk production. Our research efforts will focus on maximizing milk production efficiency and integrating cutting-edge technologies, which will contribute to higher returns on investment and sustainable growth.

Expanding milk production capacity at the APOLD Farm

Our objective is to expand the milk production capacity of the Apold farm, aiming for a daily output of up to 100,000 liters of milk.

Straja 1 Farm Status

Operations started in March 2025.

The goal is to reach a herd of 1,800 cows by the end of 2025. By 2026, the farm expects to have approximately 3,400 animals.

The project is set to be fully completed and operational by the end of 2027, with a herd of 5,000 animals and a daily production of 150,000 liters of milk. For Straja farm is planned also the installation of robots, in order to optimize processes.

Investment Plan:

The Development of the CUT 2 Farm

Overview:

DN AGRAR Group S.A. is set to embark on the development of the CUT 2 Farm, a cutting-edge dairy farming facility that will accommodate **5,000 dairy cows** and produce **150,000 liters of milk daily.**

This transformative project is designed to harness advanced agricultural technologies, sustainability practices, and operational efficiencies to meet the growing demand for high-quality dairy products in Europe.

The farm will feature **two state-of-the-art milking rotors, facilitating three milking sessions per day** for optimal milk yield. Additionally, **robotic systems will be installed in the milking parlors** for automated udder dipping and cleaning, ensuring the highest standards of hygiene and animal welfare.

To enhance sustainability, between 20% and 30% of the livestock feed at the Cut 2 farm will be supplied by the wheatgrass produced at the new vertical farm, located on the Cut 2 premises. Furthermore, the manure will be valorized at the Biomethane facility.

In a bold move towards sustainability, the farm will integrate **solar energy** to supply its electricity needs, minimizing the environmental impact and contributing to its long-term cost-efficiency.

Estimated Investment:

Approx. EUR 13-15 million

Financing:

Bank loan (EUR 10 million) and Own sources

The farm's circular approach will also include **a vertical farm to grow wheatgrass, which will supply between 20% and 30% of the feedstock for the cows.**

This model reduces dependency on external feed sources and furthers the farm's sustainability goals.

The manure valorization system will process waste through the compost factory and a biomethan plant, generating **valuable compost and renewable energy**, which will further enhance the farm's ecological footprint and cost management.

This investment presents a prime opportunity for investors to participate in a **high-growth, environmentally responsible,** and **technologically advanced** venture that will generate substantial returns while positioning DN AGRAR Group as a market leader in sustainable dairy farming.

PROJECT TIMELINE AND KEY MILESTONES

Current Status (2025)

Land Acquisition: The land required for the CUT 2 Farm is currently being secured, ensuring access to essential resources like water, utilities, and key transportation routes.

Permitting and Planning Phase (Late 2025 - Early 2026)

Permitting Process: Starting later this year, the permitting phase will include obtaining environmental and construction permits, alongside regulatory approvals necessary for project execution.

Building Permits: All permits are expected to be secured by early 2026.

Construction Phase (Second Half of 2026)

Farm Development:
Construction will begin in the second half of 2026. The farm's infrastructure will include barns, milking parlors, feed storage, and waste management systems, with solar panels installed to power the farm's operations sustainably.

Milking and Automation:
The two milking rotors will be installed, with automated robotic systems for udder dipping and cleaning ensuring hygiene and efficiency at every milking session.

PROJECT TIMELINE AND KEY MILESTONES

Livestock Procurement and Gradual Population (2027-2029)

Phase 1 (Late 2027): The farm will begin gradually populating with dairy cows.

The first group will arrive in late 2027, and the population will increase progressively as the facility ramps up.

Phase 2 (2028-2029): The farm will be fully equipped and operational by 2029, reaching a capacity of 5,000 dairy cows, fully integrated with technology and automation systems, and ready to achieve the projected 150,000 liters of milk per day.

Sustainability Integration (2027-2029)

Vertical Farming for Feed: The vertical farm will supply between 20% and 30% of the feed for the dairy cows through wheatgrass production, significantly reducing reliance on external feed sources.

Manure Valorization: Manure will be processed by the compost factory to produce organic fertilizers and utilized by the biomethan plant to generate renewable energy, contributing to a circular economy on the farm.

Full Operational Launch (2029)

Three Milking Sessions per Day:

The farm will commence full-scale milking operations with three milking sessions per day using the two automated milking rotors, designed for high throughput and efficiency.

Sustainability in Action:

The integration of solar energy will ensure that the farm's electricity needs are met sustainably, while the waste-to-energy systems will further reduce the farm's carbon footprint.

CUT 2 Farm Timeline

2025

Current Status

Land Acquisition

Late 2025 Early 2026

Permitting and Planning Phase

Permitting Process
Building Permits

Second Half of 2026

Construction Phase

Farm Development
Milking and Automation

2027 2029

Livestock Procurement and Gradual Population

Phase 1 (Late 2027)
Phase 2 (2028-2029)

2027 2029

Sustainability Integration

Vertical Farming for Feed
Manure Valorization

2029

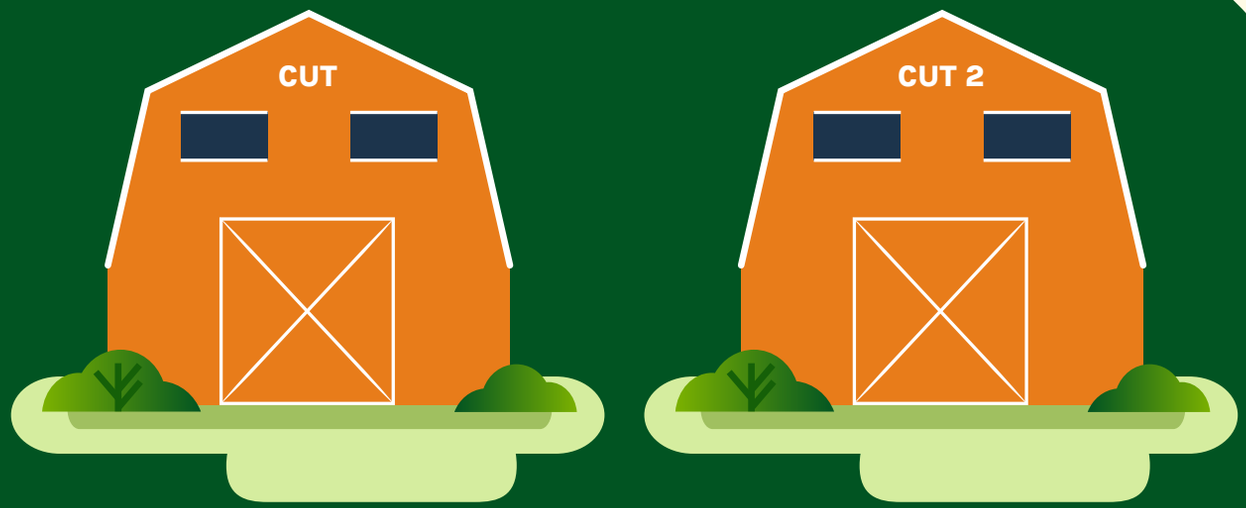
Full Operational Launch

Three Milking Sessions/Day
Sustainability in Action

Projections and Production Potential

The CUT 2 Farm is projected to generate substantial revenue, leveraging its 150,000-liter daily milk production capacity and integrated sustainable practices.

This will place the farm at the forefront of the European dairy market, capitalizing on rising demand for sustainably produced dairy products.



Production Potential:

For this new farm, we estimate a production of 150,000 liters of milk, on a daily basis.

Cost Efficiency:

By utilizing the vertical farm for 25% of the feedstock and implementing solar energy for electricity, the farm will significantly reduce operational costs, particularly for feed and energy, which will lead to higher profit margins.

Automation & Robotization:

Once Farm Cut 2 is fully operational, we intend to implement the same robots used on our other farms with rotary milking parlors. Specifically, these are the pre-cleaning and milk stimulation robot for udder and the automatic udder dipping sprayer (used after milking). This will help us reduce labor costs for these specific milking operations.

STRATEGIC BENEFITS FOR INVESTORS:

Sustainability and Innovation Leadership

The CUT 2 Farm will be a trailblazer in **sustainable dairy farming, featuring robotic systems** for milking, **solar energy** for electricity, and a **wheatgrass vertical farm** for feedstock production. This commitment to sustainability will **attract environmentally conscious consumers and investors.**

Multiple Revenue Streams

In addition to milk sales, the farm will create value through the **valorization of manure for compost and renewable energy**. These multiple revenue streams will **enhance financial stability and provide long-term growth potential.**

High Financial Returns

With **high-quality milk production, operational efficiencies, and sustainable practices,** the CUT 2 Farm is designed to generate **robust returns for investors, creating long-term value.**

Leadership in the European Dairy Market

The integration of **advanced technology and sustainable practices** will give DN AGRAR Group a **significant competitive advantage in the European dairy sector**, reinforcing the company's market leadership and growth potential.

Conclusion

The CUT 2 Farm is an exciting, high-potential investment opportunity that combines cutting-edge technology with sustainability. Through the use of partly automated milking systems, solar power, vertical farming for feed production, and the valorization of manure, this farm is poised to set new standards in the dairy industry while generating significant revenue and providing long-term growth for DN AGRAR Group S.A.

Once the Cut 2 farm will become fully operational, we project a group-level daily milk production of 450,000 liters. This translates to an approximate annual production of 150 million liters of milk.

By **developing CUT 2**, investors will be part of a project that not only addresses the growing demand for **high-quality, sustainable dairy products,** but also offers a substantial **opportunity for financial success**. Together, we can lead the way in transforming agriculture into a more sustainable and efficient industry.

Research Plan:

Development of Straja 2 Farm within DN AGRAR Group

This research plan will guide the strategic investment decision for the Straja 2 Farm, with the final investment decision expected in 2027-2028.

Overview of the Straja 2 Farm Development:

The Straja 2 Farm is an ambitious project within DN AGRAR Group, aimed at establishing a high-tech, sustainable dairy farm with the capacity to house **5,000 dairy cows and produce 150,000 liters of milk per day**.

This research plan outlines the key steps to develop the farm, focusing on strategic investment decisions, operational efficiencies, sustainability practices, and increasing value through milk valorization and business model expansion.

The farm will integrate advanced milking technology with **two milking rotors** to optimize milking efficiency, and will feature **solar panels** to reduce energy costs and minimize the environmental footprint.

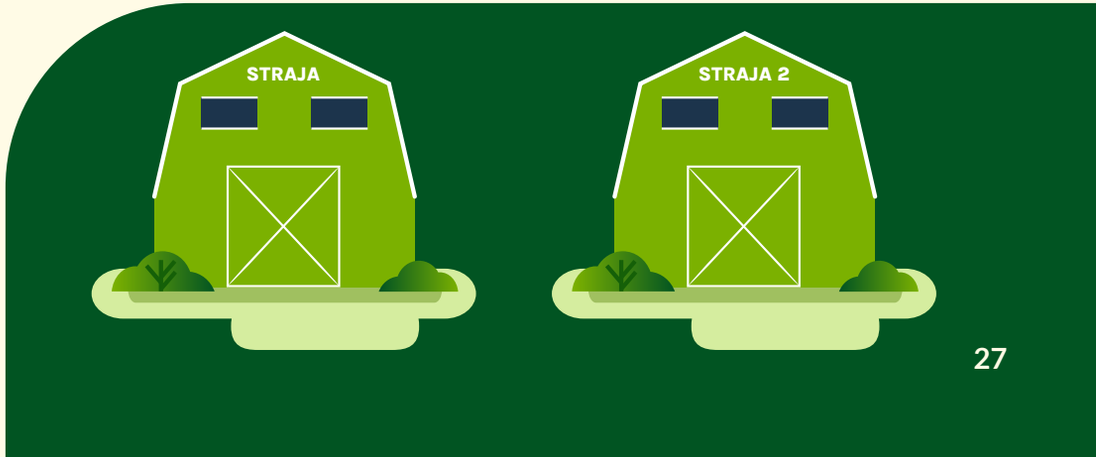
Furthermore, **the Straja 1 and Straja 2 Farms combined will have the capacity for 11,000 animals and a total milk production capacity of 300,000 liters per day.**

An integral component of the plan will also involve a **compost factory** for converting waste from both farms into organic fertilizers, further promoting a circular economy and reducing operational costs.

As part of the pre-analysis, we will start acquiring land for the potential farm location and initiate the permitting process.

The final investment decision is anticipated in early 2028, depending on the market conditions and the successful valorization of the milk.

Operations could begin in 2030, if a positive decision is taken.



RESEARCH KEY OBJECTIVES:

Investment Planning and Cost Breakdown

• Detailed investment requirements for the development of Straja 2 Farm, including infrastructure, equipment, land acquisition, and technology integration.

• Phases of investment and capital allocation for sustainable development.

* In 2026 - land acquisition
* In 2027 - undergoing the permitting process

Operational Design and Milking Efficiency

• Assessment of two milking rotors for optimized milking capacity, ensuring high efficiency and animal welfare.

• Integration of automated systems such as robotic udder cleaning and dipping.

Sustainability Practices and Solar Energy Integration

• Research into the solar panel capacity for electricity consumption, including the potential for surplus energy generation.

• Energy efficiency measures to reduce operational costs and minimize environmental impact.

Manure Valorization and Composting

• Feasibility and impact analysis of a compost factory for organic fertilizer production, using waste from both Straja 1 and Straja 2 farms.

• Integration of biomethanization for additional energy production and waste valorization.

Conclusion

The Straja 2 Farm project represents a significant opportunity for DN AGRAR Group to expand its capacity, increase its milk production, and lead the dairy industry in sustainable practices. This research plan provides a structured approach to evaluate all aspects of the farm's development, from investment planning to technological integration and market expansion.

Once the Straja 2 farm will become fully operational, we project a group-level daily milk production of 550,000 liters. This translates to an approximate annual production of approximately 200 million liters of milk.

By combining innovation, sustainability, and operational excellence, the **Straja 2 Farm** will not only **meet increasing consumer demand** for high-quality milk but also **create significant long-term value** for investors, stakeholders, and the environment.

2 COMPOST

Expansion of Compost Factories

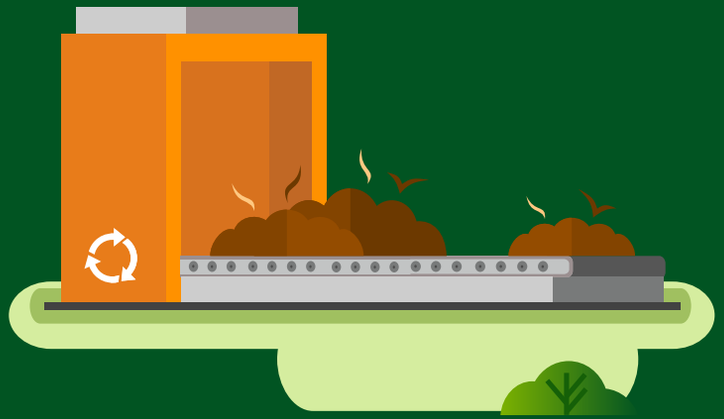
In line with our commitment to sustainability, DN AGRAR will invest in multiple compost factories, transforming organic waste into premium organic fertilizers. This circular economy approach will not only reduce waste but also create a new, high-margin revenue stream, contributing to the overall value proposition of the Group.

Units developing:

4 new compost factories

Decision to be made:

Adding 2 more units in 2030 (Straja Farm)



Voluntary Certificate

Obtaining Voluntary Certificates for Carbon Emission Reduction

DN AGRAR is actively working to reduce its carbon footprint by implementing sustainable agricultural practices like manure composting and no-till farming. Through these efforts, the company aims to obtain certifications for its emission reductions.

As part of its sustainability strategy, DN AGRAR has begun the process of acquiring voluntary carbon certificates, estimating that each compost facility will generate around 16,000 certificates per year. Annually, we project that **100,000 voluntary carbon certificates** will be generated, providing benefits for 15 years.

To maximize this potential, DN AGRAR will establish a dedicated sales channel and seek the international "Gold Standard" certification for carbon credits. This five-year certification will utilize innovative methodologies to quantify and enhance climate security and sustainable development impacts.

Obtaining Voluntary Certificates for Produced Compost

Alongside the launch of the first compost factory, DN AGRAR has started the process of obtaining voluntary certificates for the compost produced. Each compost facility is projected to produce 7,000 tons of organic compost annually, leading to certifications for a group-wide total of 42,000 tons of organic compost each year. This initiative aligns with DN AGRAR's overarching goal: to become a leader in sustainable agriculture and drastically reduce the carbon emissions from its operations.

We plan to equip each compost facility within our group with a sorting line and a packaging machine, investing for each unit between €60,000 and €70,000. This will enable us to sell our compost in 5, 10, and 15-liter bags directly to the B2C market, significantly boosting our revenue streams.

3 GREEN ENERGY

DN AGRAR Group Leads Romania's Biomethane Revolution

DN AGRAR Group, Romania's largest integrated livestock farm and top milk producer, is taking a major step toward sustainability with a strategic investment in biomethane production. In partnership with BSOG Energy (Black Sea Oil & Gas), DN AGRAR plans to develop Romania's largest biomethane facility, with an initial production capacity of up to 15 MW and the potential to expand to over 20 MW.

Turnover:

€3.5-4 million/year

Completion Timeline:

Within two years of the final agreement

Solar Panels

DN AGRAR's solar panel project is a cornerstone of the company's comprehensive strategy to enhance its sustainability and achieve, as much as possible, energy independence for its farms. DN AGRAR plans to install solar panels on the rooftops of its farms and facilities buildings with the primary goal of reducing its carbon footprint and securing a renewable energy source for its internal operations.

With this initiative, DN AGRAR aims to reduce with 80% the electricity power bills, which translates to:

2026	**Estimated cost reduction:** ~ EUR 500K (solar panels on Apold, Cut, Lacto Agrar farms).
2027	**Estimated cost reduction:** ~ EUR 700K (solar panels on Apold, Cut, Lacto Agrar, Straja farms).
2028	**Estimated cost reduction:** ~ EUR 900K (solar panels on Apold, Cut, Lacto Agrar, Straja, Cut 2 farms).

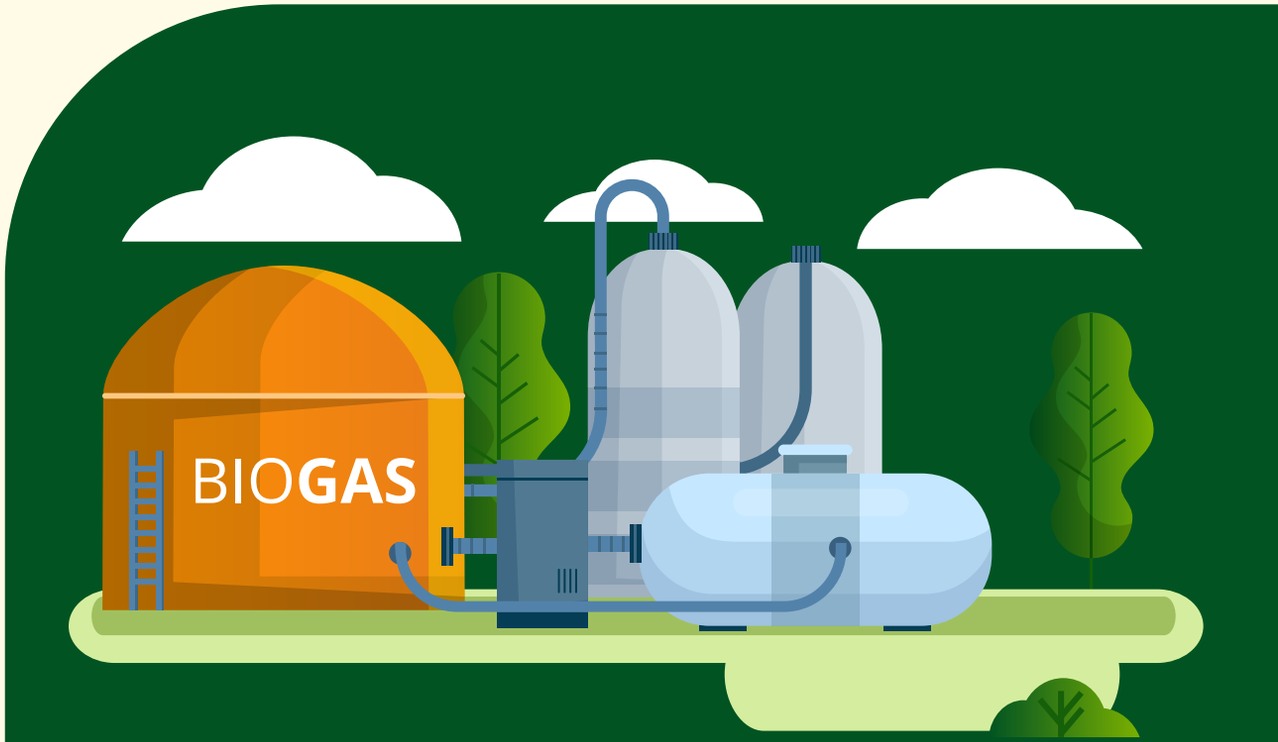
DN AGRAR's Role:
Full Responsibility for Supplying Raw Materials and Logistics

Importantly, DN AGRAR has the option to acquire a minority stake in the biomethane project. A decision regarding this potential equity participation is expected to be made in 2026, further deepening the company's strategic involvement and long-term commitment to renewable energy.

Environmental and Economic Benefits:

The project will use organic waste, primarily manure from DN AGRAR's farms, to produce biomethane—offering a 90% reduction in carbon emissions. This circular economy model is a cornerstone of DN AGRAR's broader sustainability agenda, which also includes a composting facility launching in late 2025.

Economically, DN AGRAR expects annual revenues of €3.5 - 4 million from the biomethane facility, secured by a 15-year offtake contract. The investment supports Romania's goals for energy independence and agricultural innovation.



National Targets and Legislative Needs:

Romania currently produces approx 0% biomethane, but the government has outlined aggressive targets:

- **5% of national gas production from biomethane by 2030**
- **10% by 2050**

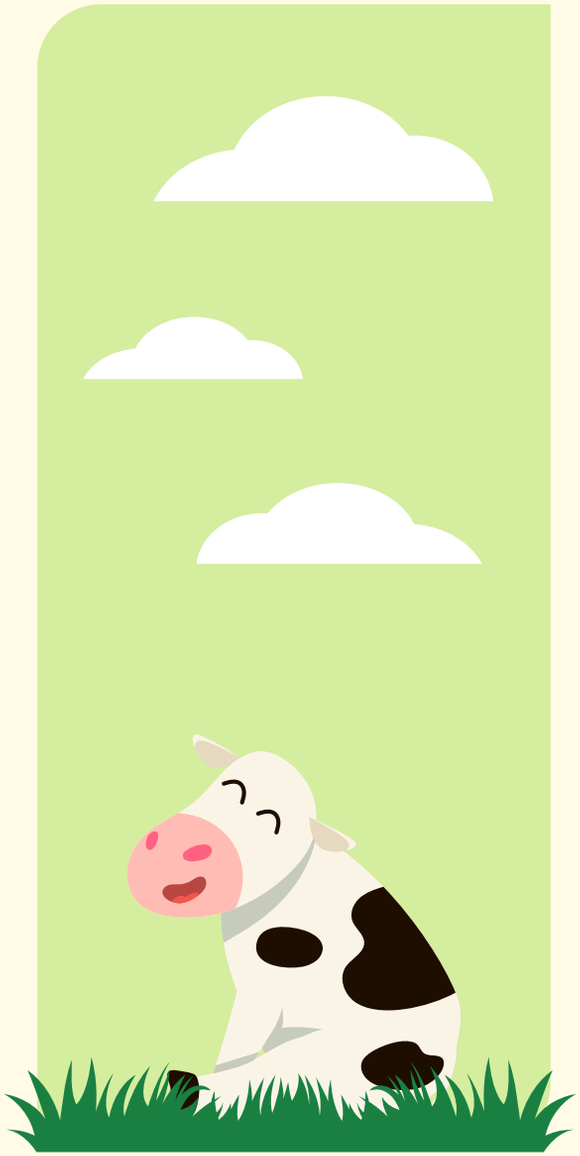
To meet these goals, legislative reforms are essential, including:

- A clear legal and regulatory framework for biomethane grid injection
- Subsidies or incentive schemes (e.g., certificates of origin and carbon credits) to support producers
- Simplified permitting and approval procedures
- Full alignment with EU energy and climate policies
- Government support for these changes is growing, recognizing biomethane's role in decarbonizing agriculture and securing energy supply.

Advantages of Biomethane:

- Carbon-neutral energy source
- Efficient waste management, turning manure into power
- Rural economic growth through job creation and local investment
- Infrastructure - ready - compatible with existing gas networks

With this landmark project, DN AGRAR is not just reducing its carbon footprint-it is laying the groundwork for a scalable, replicable model of agricultural sustainability and renewable gas production in Romania.



4 VERTICAL FARMING
Production for wheatgrass

Diversification of Revenue Streams

To future-proof our business and provide resilient returns, we are diversifying revenue streams across multiple complementary business lines. This includes strategic investments in wheatgrass production, which will provide constant protein feedstock for our dairy cows, ensuring a self-sufficient supply chain and lowering feed costs, increasing milk production and further enhancing profitability.

Investment Plan:
Sustainable Wheatgrass Production for Livestock Feed at DN AGRAR Group

Executive Summary:

DN AGRAR Group is positioned to lead the next frontier in sustainable farming with the integration of vertical farming for wheatgrass production, utilizing CO_2 captured from the Biomethane plant. **This innovative solution will enable the production of 40 tons of wheatgrass daily, with the possibility of replacing 25% of the current feedstock.**

The vertical farming system offers multiple advantages, including consistent, high-yield production, water efficiency, and land conservation. For DN AGRAR, this project is an opportunity to capitalize on cutting-edge technology while enhancing sustainability, lowering costs, and improving the health and productivity of livestock.

Estimated Investment:

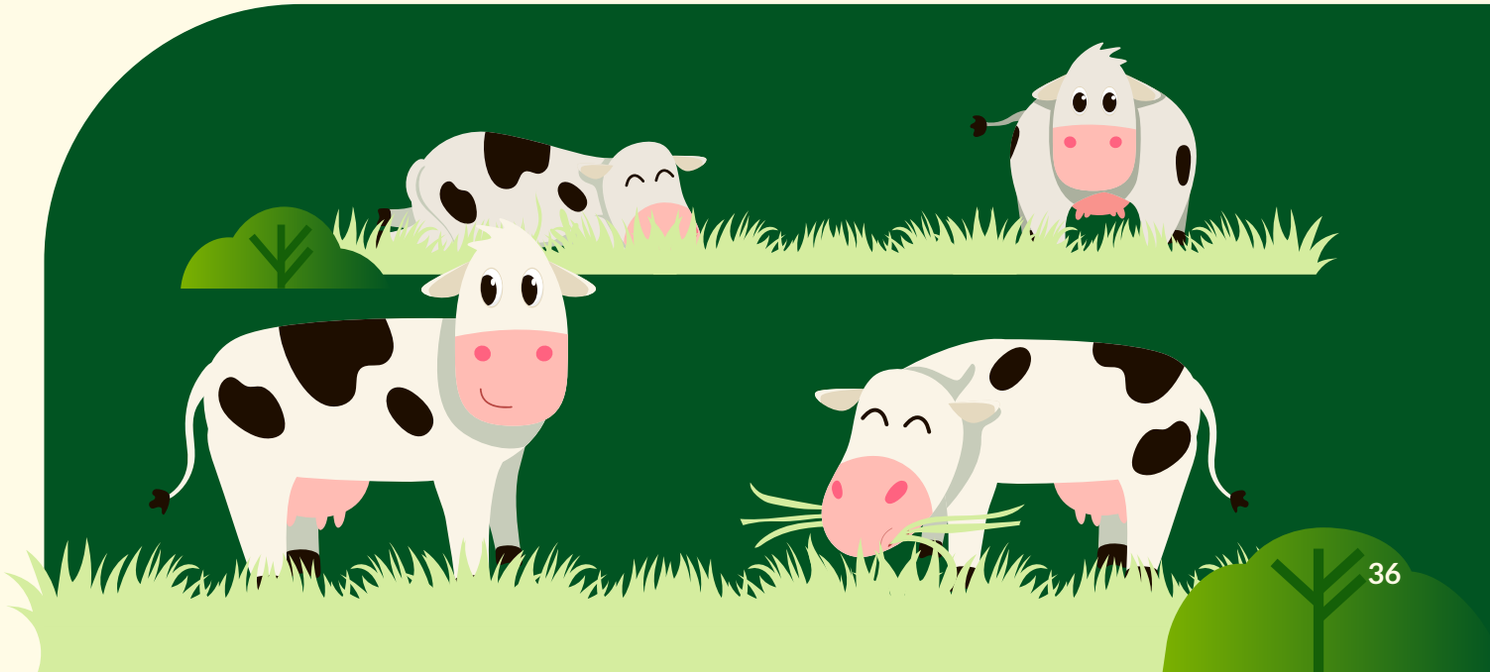
Between EUR 3-4 million for 20 tons produced

Financing:

Bank loan

ROI:

Approx. 3 years



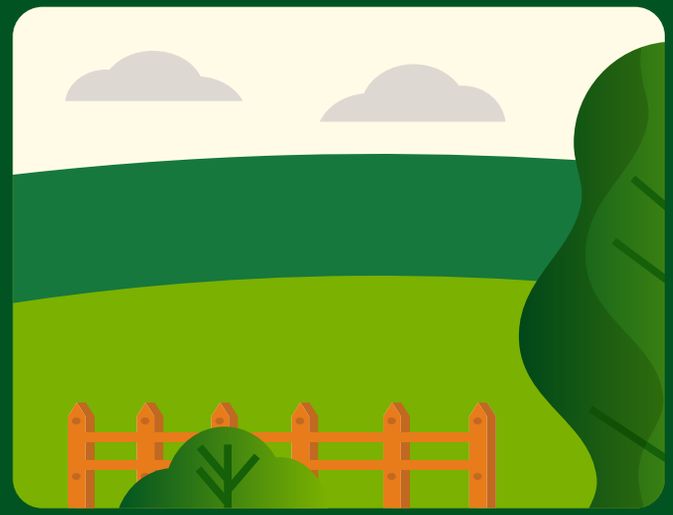
KEY INVESTMENT HIGHLIGHTS:

Sustainable & Efficient Production

Utilizing CO_2 captured from the Biomethane plant, this system creates a closed-loop model, reducing waste and carbon emissions. The vertical farming system provides protection from weather elements, ensuring consistent and reliable wheatgrass production all year round, regardless of external climate conditions.

Water Efficiency

Hydroponic farming significantly reduces water usage by over 90% compared to traditional agriculture. With rising water scarcity concerns, this farming method uses far fewer resources to produce the same amount of feed, making it a highly water-efficient option for livestock feed production.



Benefits

- No pesticides or herbicide required
- Uses less than 90% of the water needed by conventional crops
- Predictable yields, no agricultural equipment necessary

As food quality will increase, ensuring continuous freshness, we anticipate a rise in the milk yields per cow, and/or a decrease in the tons of feed consumed per cow.

The expansion of the livestock herd won't impact investments in new equipment or land acquisitions. Additionally, in the context of climate change, this project will increase predictability and less fluctuation in the quality of feed, leading to improved digestion for the cows.

Land & Crop Efficiency:

Popular crops such as barley, alfalfa, and wheat micro-greens could be partly replaced by production of wheatgrass in the vertical farm, providing a fresh and high-quality feed option for livestock.

KEY INVESTMENT HIGHLIGHTS:

Resilient and Reliable Production:

The combination of protected environments and fully controlled indoor systems ensures that wheatgrass can be grown consistently and reliably. This protection from adverse weather conditions (e.g., droughts, or extreme temperatures) makes the farm **resilient to climate variability and ensures a steady supply of feed to support livestock year-round.**

Environmental and Economic Benefits

Reduced Emissions:

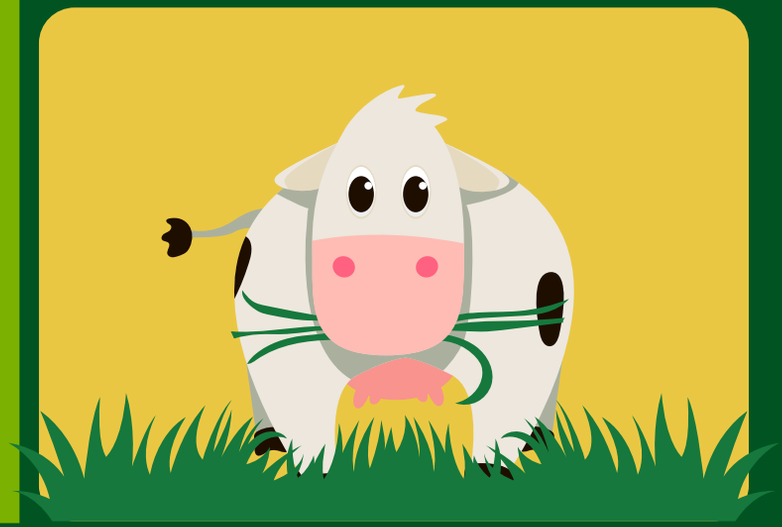
The hydroponic system eliminates the need for transportation, reduction of groundwork, and machinery involved in cultivating traditional feed outdoors. This reduces carbon emissions associated with farming practices and transportation logistics.

No Chemicals:

The short and efficient production cycle does not require the use of chemical fertilizers, herbicides, or pesticides, ensuring clean, chemical-free feed for livestock and contributing to a healthier food system.

Food Security:

This farming method offers increased resilience in the food supply chain. By reducing dependency on traditional feed crops and external agricultural conditions, DN AGRAR Group ensures a consistent and reliable food supply, and a constant protein level at its feedstock for livestock, which is vital for stable agricultural production.



INVESTMENT STRATEGY:

Environmental Impact

CO_2 Capture:

By integrating CO_2 from the Biomethane plant into the farming process, this system reduces overall carbon emissions, demonstrating a commitment to sustainable farming and climate action.

Land Conservation:

Vertical farming systems help free up agricultural land that can be used for other crops, promoting biodiversity and reducing the pressure on the land to produce livestock feed.

Revenue Streams

The wheatgrass will be directly used as feedstock, providing a cost-effective and sustainable alternative to traditional feed crops. By eliminating transportation costs and reducing reliance on external feed suppliers, DN AGRAR Group will drive significant cost savings and improve profit margins.

The ability to diversify into additional markets (e.g., human health products, juices) **offers even more revenue potential, expanding the group's profit opportunities.**

Capital Investment Breakdown

Infrastructure Setup:

A one-time investment to build the vertical farm fully equipped with climate control technology, hydroponic systems, and CO_2 integration to optimize wheatgrass growth. These systems will be installed on-site at DN AGRAR Group's facilities to minimize transportation costs and ensure freshness.

ROI Timeline

With high operational efficiency and low resource usage,
DN AGRAR Group expects a return on investment (ROI) within 3 years.

The combination of cost savings, scalability, and sustainable practices ensures long-term profitability, quality control, predictability, and a positive financial outlook.

* Production of 20 tons/day

Why Wheatgrass for Livestock Feed?

Nutritional Profile for Livestock:

Wheatgrass is packed with essential nutrients—vitamins, amino acids, antioxidants, and minerals, constant high level of protein —which contribute to better animal health and higher productivity. Healthier cows are more productive, with improved milk yields and growth rates, ultimately leading to higher profitability.

Healthier Cows, Better Yields:

Wheatgrass supports better digestion and nutrient absorption, boosting the immune system and reducing the likelihood of diseases. Cows fed on wheatgrass are healthier and less reliant on veterinary care, reducing operational costs and improving overall profitability.

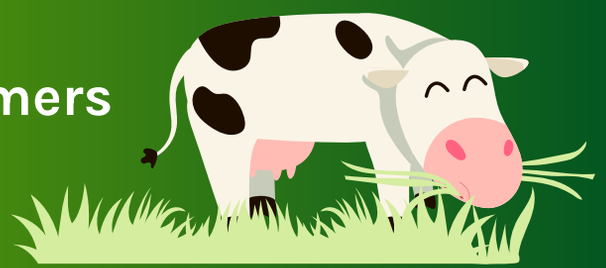
Improved Milk Quality:

Wheatgrass has been shown to improve the quality of milk, offering nutritional benefits to consumers. This can be a marketable differentiator in an increasingly health-conscious food market

Efficient Feed Conversion:

Wheatgrass is easily digestible, meaning cows can extract more nutrients and convert them into energy efficiently. This leads to better feed-to-product ratios, reducing the overall cost of feed per unit of milk.

Happy cows
Healthy milk
Satisfied customers



Resilient Food Supply:

With protected, controlled environments, vertical farming ensures consistent year-round production of high-quality feed, mitigating the risks posed by climate change or unpredictable weather patterns that often disrupt traditional crop farming.

Projected Impact:

Environmental Leadership

This project reduces the environmental footprint of traditional livestock feed production. The use of hydroponic farming and CO_2 integration showcases how DN AGRAR Group is leading the way in sustainable, resource-efficient agriculture.

Economic and Cost Efficiency

By replacing 25% of traditional feedstock with wheatgrass, DN AGRAR Group can significantly lower its feed costs and increase milk yield per cow. The ability to produce feed on-site, without relying on expensive transportation or external suppliers, will enhance profitability while reducing reliance on volatile feed markets.

Healthier, More Productive Livestock

Healthier cows lead to better productivity, whether in terms of milk production or meat quality. By providing a chemically-free, nutrient-rich feed, DN AGRAR can improve animal welfare, while increasing yields and profitability.

Land Use Efficiency

The ability to free up hectares of land per year through the use of vertical farming systems offers significant benefits in terms of land optimization and the potential for alternative uses, such as growing more crops for human consumption.

Scalability

The vertical farming model is inherently scalable. Once successful at the first location, DN AGRAR can replicate this system at other sites, rapidly expanding production and reaping the benefits of economies of scale.

Timeline and Milestones:

Pre-Launch Phase
2025

Secure funding, finalize partnerships for land, technology, and CO_2 systems.

Complete feasibility studies and develop financial and environmental impact projections.

Construction & Setup
2026

Build vertical farming, and install hydroponic equipment.

Recruit and train staff to operate the new systems efficiently.

At end of 2026, we will begin the production of 20 tons/day, for the Cut 1 farm.

Initial Production Phase
2027

Begin the production of wheatgrass, integrating it into the livestock feeding system.

Monitor livestock health, feed quality, and operational performance to optimize production.

Full-Scale Operation
2028

Reach full production capacity of 40 tons of wheatgrass per day.

Evaluate financial returns, operational efficiencies, and environmental impacts, adjusting the system as needed for maximum performance.

Integrating CO_2 capture systems.

At the end of 2028, we will begin the vertical farm construction for Cut 2 farm, for a 20 tons/day production.

Doubled Capacity
2029

The capacity is set to be doubled, to 40 tons/day, at the Cut 2 farm.

Conclusion

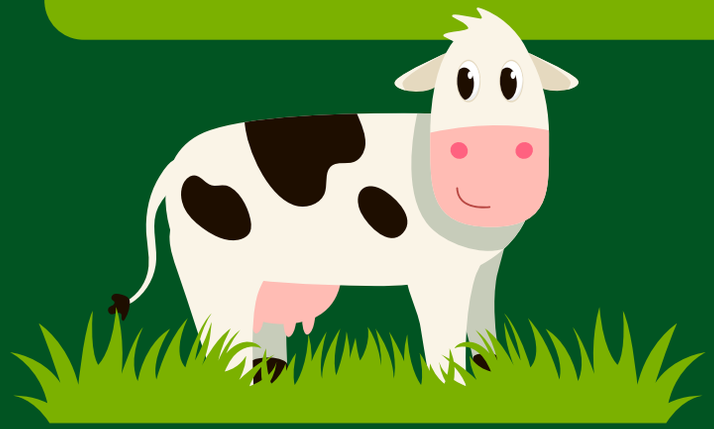
This investment offers an exceptional opportunity for forward-thinking investors to support an innovative, sustainable, and profitable agricultural project. By utilizing cutting-edge vertical farming techniques, CO_2 capture, and hydroponic systems, DN AGRAR Group is pioneering the future of livestock feed production. Wheatgrass offers a superior, sustainable feed for livestock, improving cow health, productivity, and milk quality, while drastically reducing water use, land consumption, and emissions.

By investing in this project, you are helping to shape a more sustainable agricultural future while reaping the benefits of a scalable, cost-effective, and environmentally responsible solution.

5 ALTERNATIVES for VALORIZING MILK

Increasing the Value of Raw Milk

We are conducting in-depth research on methods to increase the value of raw milk, including developing premium dairy products such as cream, fat and milk powder. This focus on value-added products will allow us to capture premium pricing, increase margins, and diversify into higher-value sectors, creating new revenue opportunities in both local and international markets.



RESEARCH KEY OBJECTIVES:

Milk Valorization and Value-Added Products

• Research into strategies for higher raw milk valorization, to increase the value per liter of milk.

• Potential for expanding the customer base by offering value-added raw milk products that appeal to diverse market segments, such as zero-emission milk, fat, protein, GMO-free milk, butter and milk powder.

During 2025 and 2026, the focus will be to conduct an in-dept analysis to explore methods in eliminating water from the milk. Proceeding like this, we expect to yield substantial reductions in transportation costs, enabling us to deliver the product further, and increase profitability through exports in countries like Greece, Italy, and Bulgaria.

Furthermore we will conduct an additional analysis to isolate the protein from the milk. This initiative aimed to enlarge our client portfolio and facilitate export to the European market. The whey protein powder and butter obtained will be marketed to bakeries and other food processors. We anticipate to finalize the study in Q1 2026 and proceed with the next step in Q2.

Market Expansion and Client Diversification

• Analyzing new client segments and potential markets to expand milk sales and increase the farm's profitability.

• Exploration of export opportunities and developing long-term strategic partnerships.

Environmental Impact and Circular Economy Practices

• Assessing the environmental impact of the farm's operations, focusing on waste management, energy consumption, and carbon footprint reduction.

• Enhancing the circular economy through the integration of waste-to-energy solutions and organic fertilizer production.

6 GREENHOUSES

Executive Summary:

Greenhouse vegetable cultivation presents a transformative growth opportunity for DN AGRAR.

With Romania's current dependence on imports, a shrinking open-field production base, and soaring demand for fresh, year-round produce, **greenhouse farming offers an attractive, subsidy-backed path to diversify operations.**

While the entire vegetable category is relevant, leafy vegetables and brassicas stand out as particularly strategic due to their high import reliance, price volatility, and sensitivity to climate exposure.

Why?

Because the market context & structural gaps offer opportunities

- Total vegetable production in Romania fell from its peak in 2021, driven by decreasing field yields and weather vulnerability.
- Vegetable consumption in Romania reached 8.72 kg/person/month in 2023—an all-time high.
- **Romania cultivates only ~10% of vegetables under cover**, representing roughly 4,600 ha—well below regional benchmarks such as Poland (~5,220 ha).
- The country's leafy vegetable and brassica output is also modest and declining, while consumer demand remains strong and rising.
- Romania is a net importer of vegetables, particularly in the winter and early spring seasons. Key imports include lettuce, tomatoes, cucumbers, and brassicas—products that perform well in greenhouses.
- Strategic priorities for Romania include boosting yield efficiency, investing in protected cultivation, and targeting high-value crops to improve trade balance and reduce import reliance.

6 GREENHOUSES

STRATEGIC IMPACT

- Reduce Romania's dependence on imports during off-season
- Deliver premium pricing and high yield per m^2
- Diversify DN AGRAR's revenue beyond milk
- Contribute to sustainability, composting, and ESG metrics
- Position the company as a first-mover in protected vegetable farming in Romania
- In 2028, we plan to start construction of the first greenhouse
- In 2030 is expected to start the operations

Industrial-Scale Fruit and Vegetable Production

As part of our strategy to diversify and strengthen the Group's food production capabilities, we are exploring large-scale fruit and vegetable production through greenhouses and vertical farming. By employing these modern farming techniques, DN AGRAR will increase the supply of high-quality produce, meet growing consumer demand, and secure a competitive edge in the fresh produce market.

STRATEGIC TIMELINE 2025 - 2030

2025 – FOUNDATION YEAR

KEY INITIATIVES

DN AGRAR STRAJA – Phase I

COMPOST FABRICATION FACILITY – Vaidei

SOLAR PANELS INSTALLATIONS - 3 Agricultural Sites

Capital Structure & Financing

Remaining loan facility: €5.5M

Direct capital contribution: 20% (cash)

Loan facility: €1.7M

Subsidized financing: €1.8M loan
(60% government subsidy)

Strategic Notes

- Full financing secured for 2025 initiatives.
- **Objective:** establish energy and organic waste infrastructure and initiate renewable integration.

STRATEGIC TIMELINE 2025 - 2030

2026 – VERTICAL INTEGRATION & DIVERSIFICATION

KEY INITIATIVES

- **DN AGRAR STRAJA – Completion**
- **VERTICAL FARMING UNIT – Cut 1**
- **COMPOST FABRICATION FACILITY – Cut 1**
- **LAGUNA PROJECT – Apold**
- **DAIRY PRODUCT LINE DIVERSIFICATION**
- **CONSTRUCTION OF DN CUT 2 (5,000 dairy cows)**

Capital Structure & Financing

Internal cash flow utilization

Loan: €3-4M (vertical farm)

Loan: €1.7M (compost facility)

Capital injection for lagoon in Apold: €100K(own sources)

Facility financing for dairy product line diversification: TBA

Strategic Notes

- **Vertical Farm Cut 1 (20 tons/day wheatgrass):** €3-4M CAPEX, with a 10-year payback period at €400K annually.
- **Compost facility CAPEX:** €1.7M, 10-year/€170K/year.
- **Infrastructure investment in Apold lagoon:** €100K.

STRATEGIC TIMELINE 2025 - 2030

2027 – BIOGAS ENTRY & OPERATIONAL SCALING

KEY INITIATIVES

DN BIOGAS FACILITY - Possibility to obtain between 10%-20% stake in the Biogas facility

DN AGRAR – Cut 2
(Land, Construction, Milking Infrastructure)

SOLAR PANELS EXPANSION – Straja

LAGUNA PROJECT – Cut 2

Capital Structure & Financing

Capital requirement contingent on Biogas stake (e.g., 20% share implies proportional equity contribution)

DN AGRAR Cut 2: €7M loan for construction

Solar Panels Straja: €800K

Lagoon infrastructure: €100K cash

Strategic Notes

- Stakeholder alignment required for Biogas venture.
- DN AGRAR Cut 2 to anchor long-term livestock capacity expansion.

STRATEGIC TIMELINE 2025 - 2030

2028 – INFRASTRUCTURE CONSOLIDATION & AGRITECH EXPANSION

KEY INITIATIVES

- **DN AGRAR – Cut 2 (Animal Acquisition Phase)**
- **Vertical Farming Unit – Cut 2**
- **Compost Fabrication Facility – Cut 2**
- **Laguna Project – Straja (Ohaba)**
- **Biogas - First Full Year of Operations**

Capital Structure & Financing

Total investment: €13-15M (includes construction of buildings and milking parlors, and €7.5M for livestock procurement)

Loan: €4M (vertical farm)

CAPEX requirement: €1.7M (compost facility)

Capital contribution: €100K

Strategic Notes

- **Livestock procurement internally, from DN AGRAR farms:** 5,000 animals @ €1,500/unit.
- **Vertical Farm Cut 2 (20 tons/day):** €3-4M investment to scale agri-output.

STRATEGIC TIMELINE 2025 - 2030

2029 – GREENHOUSE CONSUMER-ORIENTED

KEY INITIATIVES

Greenhouse Complex – Phase I

Vertical Farm – Vaidei (Lacto Agrar)

Capital Structure & Financing

Expected financing: a combination of more sources (subsidies, own sources and capital increase).

Estimated CAPEX: €3-4M (Lacto Agrar)

Strategic Notes

- **Consumer-oriented greenhouse (culture-specific)**: CAPEX flexible.
- **Wheatgrass production target**: 30 tons/day, estimated investment €5-6M.

STRATEGIC TIMELINE 2025 - 2030

2030 – MARKET PENETRATION & FINAL VERTICAL INTEGRATION

KEY INITIATIVES

Greenhouse Complex – Phase II

Vertical Farm – Apold

Capital Structure & Financing

Expected financing: a combination of more sources (subsidies, own sources and capital increase).

Estimated CAPEX: €6M

Strategic Notes

- **The final stage of the vertical farming ecosystem**: 30 tons/day production unit, approx. €5-6M investment.
- Enhances direct-to-consumer supply chain control and operational efficiency.

STRATEGIC TIMELINE 2025 - 2030

2025

Foundation Year

- Straja Farm Phase 1
- Compost (Vaidei)
- Solar Panels

2026

Vertical Integration & diversification

- Vertical Farming (Cut 1)
- Compost (Cut 1)
- Laguna (Apold)
- Cut 2 Farm (Construction)

2027

Biogas Entry & Operational Scaling

- Straja 1 Farm Completed
- Biogas Facilty (end of 2027)
- Cut 2 Farm (Milking Infrastructure)
- Solar Panels (Expansion)
- Laguna (Cut 2)

2028

Infrastructure Consolidation & Agritech Expansion

- Cut 2 Farm (Animal Acquisition)
- Vertical Farming (Cut 2)
- Compost (Cut 2)
- Laguna (Straja - Ohaba)
- Straja 2 Farm (Potential Construction)

2029

Greenhouse Consumer-Oriented

- Greenhouses (Phase 1)
- Vertical Farming (Vaidei)

2030

Market Penetration & Final Vertical Integration

- Greenhouses (Phase 2)
- Vertical Farming (Apold)
- 2 Composting Units (Straja)

DN AGRAR in 2030:
A Vision of Scaled Growth, Sustainability, and Value Creation

By the end of 2030, DN AGRAR will stand as a national and regional leader in sustainable food production, an integrated agribusiness group built on innovation, operational excellence, and long-term value creation for shareholders and stakeholders alike.

The company will operate six state-of-the-art dairy farms, DN AGRAR Cut, Straja, Straja 2, Cut 2, Apold, and Lacto Agrar-collectively producing approximately **150 - 200 million liters of premium-quality milk annually**. This high-yield production will be supported by Prodlact, a dedicated youngstock facility ensuring the highest standards in animal health, productivity, and genetic advancement.

A cornerstone of DN AGRAR's circular economy model, the group will produce and market around **40,000 tons of organic fertilizer annually**, offered both in large-scale big bags and convenient 5L, 10L, and 20L retail packaging. These products will be distributed across Romania and key European markets, further diversifying revenue streams and enhancing brand visibility.

Environmental responsibility will remain at the heart of the company's operations. DN AGRAR aims to generate approximately 100,000 voluntary carbon certificates per year for a period of 15 years, further strengthening its sustainability credentials while creating additional monetization opportunities.

Moreover, the biogas project will provide a stable and recurring revenue stream, generating **€3.5 to €4 million annually**-a testament to the company's commitment to renewable energy integration and energy efficiency and a **90% reduction of its emissions**.

In addition to its core farming activities, DN AGRAR will be managing industrial-scale greenhouses, extending its agricultural footprint into high-value horticulture, while leveraging its existing infrastructure and operational know-how.

The company's client base will continue to expand, driven by a diversified portfolio of milk-derived products and agricultural commodities reaching both domestic and European markets.

By 2030, DN AGRAR will have been listed for several years on the Main Market of the Bucharest Stock Exchange, marking its evolution into a mature, publicly accountable enterprise. The company will have established a consistent track record of paying dividends and/or executing share buybacks, reflecting both its financial strength and its commitment to shareholder returns.

Importantly, DN AGRAR will have more than doubled its EBITDA and net profit compared to 2025, validating the strength of its strategy, execution, and market position. Alongside these achievements, the company will unveil its 2030–2035 strategic roadmap, setting the course for the next phase of sustainable growth and innovation.

In this vision, DN AGRAR is not only a business success story—it is a catalyst for regional economic development, a responsible steward of natural resources, and a benchmark for modern, sustainable agriculture in Eastern Europe.

DN AGRAR in 2030:

Resilient.

Profitable.

Sustainable.

Ready for the future.

WORKING SCENARIOS:

What's included in the financial scenarios up to 2030

- Current operations
- Straja farm
- Cut 2 farm
- 28,000 tons organic fertilizer
- Biometehane production (from 2028)
- Solar in Straja, Apold, Cut and Lacto

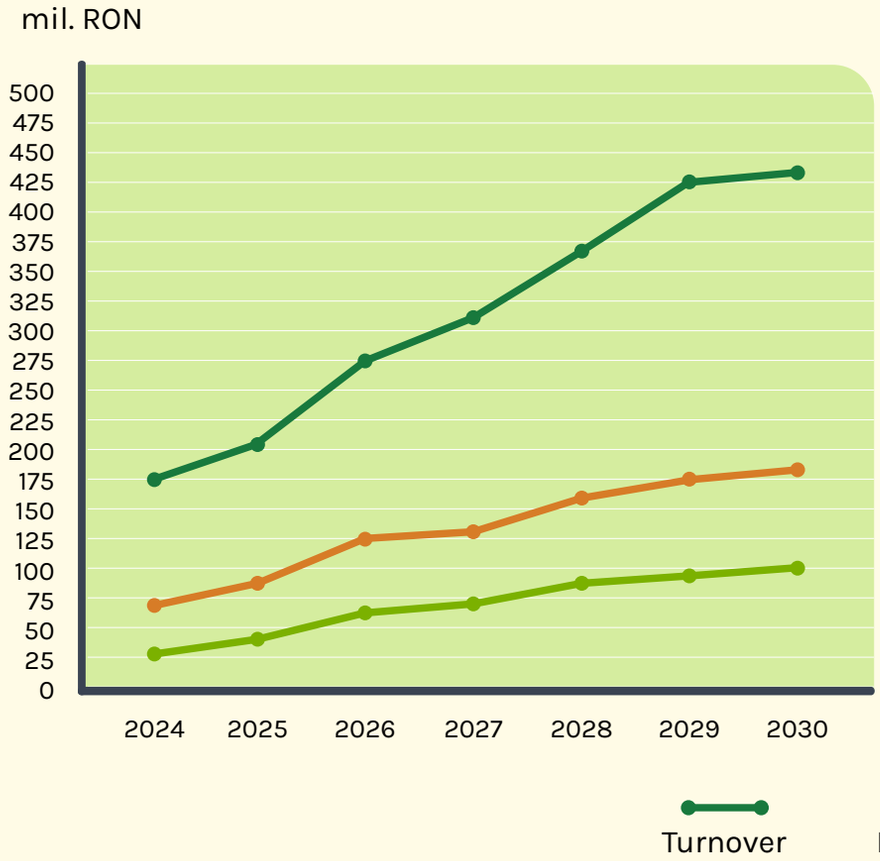
What's not included in the scenarios, will be included in the coming years when all details are known:

- Straja 2
- 14,000 tons of organic fertilizer
- 2 greenhouses for vegetables production
- Solar in Cut 2 and Straja 2
- Wheatgrass production ass feedstock for animals
- Different valorization of the commodity milk
- Approximately 100,000 voluntary carbon certificates annually for a period of 15 years, with a current value of approximately Euro 20 per certificate
- Certificates obtained due to the implementation of no-till

WORKING SCENARIOS:

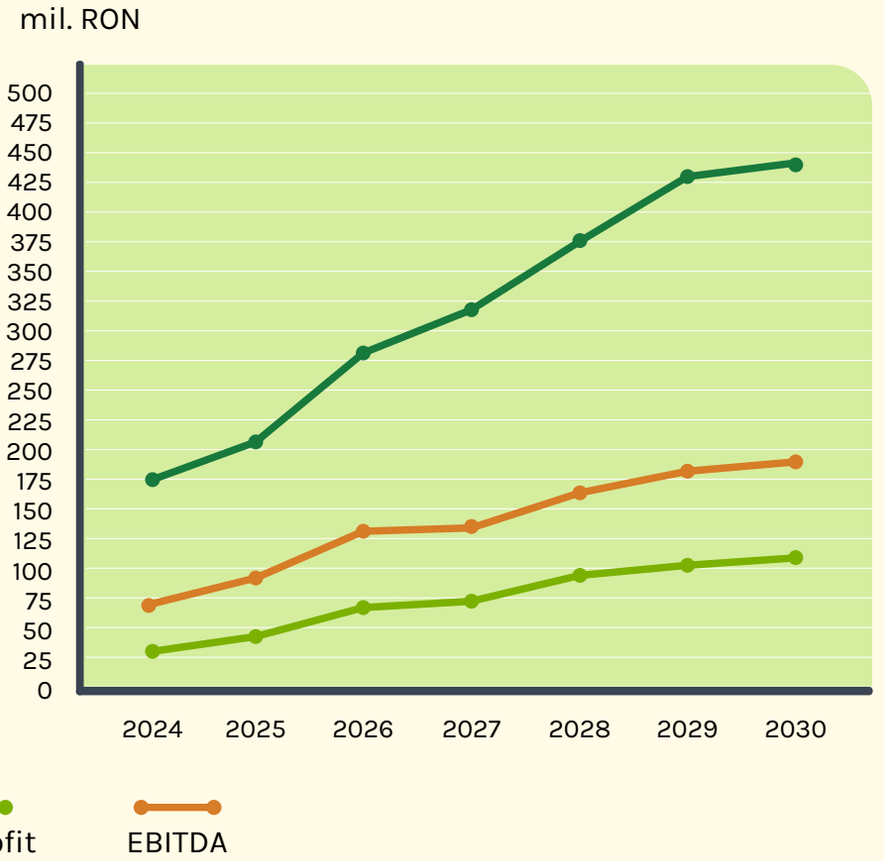
SCENARIO 1

In scenario 1, the milk price is considered based on the average milk price in 2023.



SCENARIO 2

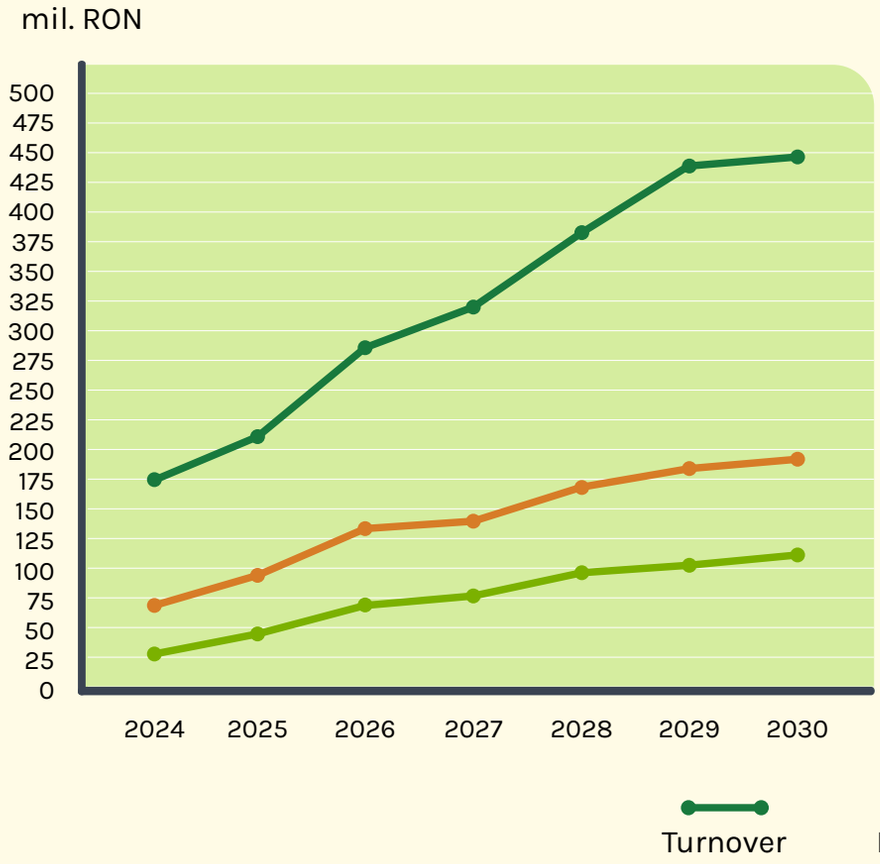
In scenario 2, the milk price is considered based on the average milk price in 2024.



WORKING SCENARIOS:

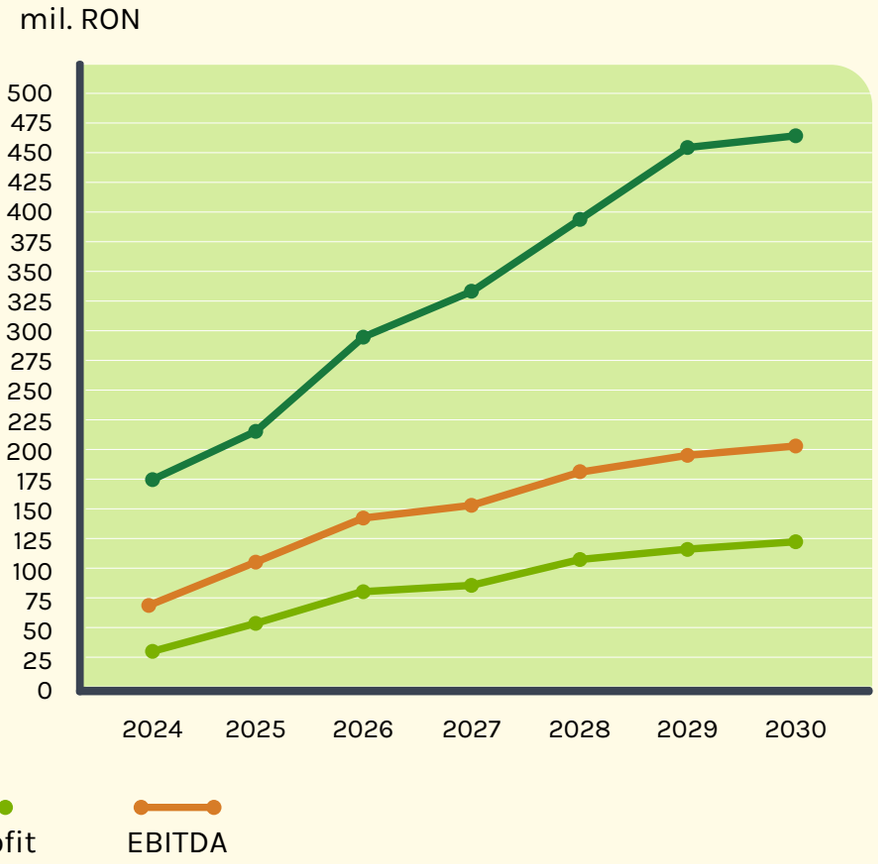
SCENARIO 3

In scenario 3, the milk price is considered based on the average milk price at the end of 2024.



SCENARIO 4

In scenario 4, the milk price is considered based on the average milk price in 2025, until now.



Turnover Net Profit EBITDA

MAIN MARKET & Dividends

Strategic Roadmap for Main Market

DN AGRAR, a high-growth agricultural company that was successfully listed on the Bucharest Stock Exchange in 2022, is pleased to announce its strategic roadmap towards upgrading to the Main Market in the coming years.

Our objective is to adopt IFRS reporting starting in 2026.

Dividend Plans

In addition to dividends, DN AGRAR is considering the implementation of a share buyback program in the coming years, as well as the possibility of allocating free shares to shareholders. These initiatives aim to further increase shareholder value, strengthen investor confidence, and improve capital market visibility—without constraining the company's ambitious strategic objectives through 2030. These measures will be evaluated carefully to ensure alignment with DN AGRAR's commitment to sustainable growth, financial discipline, and long-term investment in agricultural innovation and renewable energy.

DN AGRAR GROUP S.A. Sets Course for Main Market Upgrade and Announces Dividend Plans Following Biomethane Plant Launch

As part of this evolution, the Company is targeting the introduction of dividend payments in 2027 or 2028, following the commencement of production at its biomethane plant.

Since its listing, DN AGRAR has demonstrated strong operational performance and scalable growth, solidifying its position as a market leader.

The upcoming launch of the biomethane plant contract, Straja farm, Compost factories and CUT 2 represents major milestones in the Company's expansion strategy, contributing to long-term revenue stability and profitability.

With this foundation, the Board believes that a transition to the Main Market will enhance shareholder value, improve liquidity, and attract a broader investor base.

The Company will continue to update shareholders as it progresses towards these key milestones.

DN AGRAR is, above all, a growth company, built on innovation, strategic vision, sustainable approach, and disciplined execution.

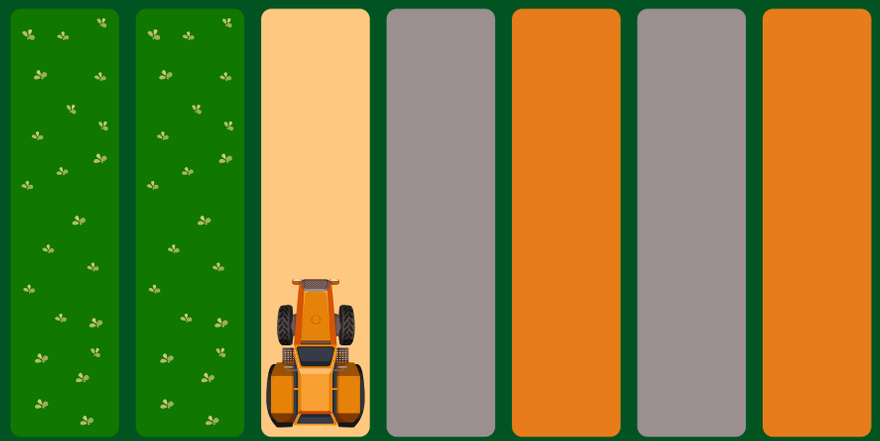
Since our listing in 2022, we have kept our promises, tripled in size, and expanded our operations, capabilities, and impact in the agribusiness sector. Upgrading to the Main Market is not just a recognition of our evolution, but a springboard for the next phase of scalable, sustainable growth. Our 2025 -2030 Strategy, shaped not only around expanding our core dairy operations but also on the launch of entirely new business lines, will significantly diversify our revenue base and position DN AGRAR to more than double the EBITDA by 2030. With new revenue streams such as biomethane production set to come in the next two years, we are committed to both reinvesting in accelerating our development and beginning to reward our shareholders, thus targeting dividend distributions starting in 2028. This dual focus underscores our ambition to build a resilient, high-performance company that generates sustainable value for all stakeholders.

Peter de Boer,
CEO & BoD Member
DN AGRAR Group

M&A

Strategic M&A in Dairy and Beyond

We are actively pursuing mergers and acquisitions (M&A) to accelerate growth, with a focus on acquiring high-potential dairy farms and expanding our footprint in the European market. Additionally, we are targeting strategic acquisitions in the vegetable and fruit sectors, diversifying our portfolio and opening up new markets to fuel additional revenue growth.



OTHERS

Expanding the Client Base Across Industries

Our strategy includes expanding DN AGRAR's client base across various sectors, such as the medical industry. By broadening our client portfolio, we will diversify risk, increase sales channels, and drive higher and more consistent revenue streams.

Industrial Clusters for Food Production Synergies

The creation of industrial clusters for food production will enable DN AGRAR to unlock the power of synergies between different business lines. By streamlining operations, improving efficiency, and reducing costs, we will maximize profit margins and create significant value for stakeholders. These clusters will integrate dairy, fruit and vegetable production, waste management, and energy generation, fostering a sustainable, high-margin ecosystem.

Expansion into Key European Markets

DN AGRAR plans to discover trough market studies/analyzes expansion into markets like Hungary, Poland, and Bulgaria, where demand for high-quality dairy products and fruit/vegetable production is growing rapidly.

By entering these markets, we will gain access to new customers, scale our operations, and increase market share, which will significantly boost profitability.

High-Return Growth Strategy: DN AGRAR's Strategy 2025-2030 presents exceptional investment opportunities across a diversified range of agricultural sectors. Our focus on sustainability, technological innovation, and strategic M&A ensures a clear path to strong, long-term financial performance.

Market Leadership in Dairy and Beyond: With a commitment to enhancing our dairy operations and expanding into value-added products, DN AGRAR is well-positioned to become a leader in the dairy and agricultural industries, generating superior margins and establishing a strong market presence.

Innovation-Driven Growth: With a strong focus on R&D, DN AGRAR is continually innovating in areas such as milk valorization, sustainable production, and advanced farming technologies. This commitment to innovation will not only improve operational efficiency but also drive higher returns and business resilience.

Sustainability and Efficiency: Through investments in solar energy, wheatgrass production, composting, and biomethanization, DN AGRAR is pioneering a more sustainable and cost-effective model that will reduce operational risks and maximize profits.

Geographic Expansion: The Group's expansion into key European markets like Hungary, Poland, and Bulgaria offers a high-growth opportunity to scale our operations, increase revenue, and capture new market share in some of the most dynamic agricultural regions.

Diversified Investment Opportunities: DN AGRAR's diversified investment approach, including M&A activity, strategic farm expansions, and entry into the fruit and vegetable sectors, offers investors a broad spectrum of high-return opportunities across multiple industries.

Conclusion: Unlocking Value for Investors

The DN AGRAR 2025-2030 Strategy is designed to deliver exceptional value for investors by capitalizing on growth opportunities across dairy, sustainable agriculture, and high-demand food production sectors. With a focus on innovation, operational efficiency, and strategic market expansion, DN AGRAR is poised to lead the agricultural industry into the next decade, providing long-term returns and sustainable growth for all stakeholders.

Investing in DN AGRAR means investing in **a future of sustainable, profitable growth** in **one of the most essential and high-demand industries globally.**

Join us in shaping the future of agriculture, driving market leadership, and achieving strong returns in the coming years.

Industrial Clusters 2025 – 2027, decision 2027

DN AGRAR is embarking on an exciting journey to explore the potential of developing industrial clusters within its current operations.

This initiative aims to **enhance the company's agri-food production** by integrating key elements such as solar energy, organic fertilizers, and advanced agricultural practices into a **unified cluster model**.

The research will focus on how to seamlessly incorporate this new structure into DN AGRAR's existing business model while identifying which areas — ranging from raw material production to food processing and sustainable energy solutions — can contribute the most and create the greatest impact.

To ensure the success of this transformation, DN AGRAR will **collaborate with knowledge institutions,** such as leading universities in the agri-food sector, R&D companies, and other specialists in the field.

Part of the research will also **explore M&A opportunities, co-investment, and other strategic options** to strengthen the cluster model and maximize its effectiveness.

By leveraging synergies across these sectors, DN AGRAR aims to create a more efficient, sustainable, and competitive operation that will not only benefit the business but also enhance the agricultural landscape in Romania and beyond.

Developing industrial clusters — especially for agri-food production — offers several distinct advantages that can enhance the competitiveness and sustainability of businesses involved.

By leveraging synergies between solar energy, organic fertilizer production, agricultural land, and food processing, DN AGRAR Group can capitalize on the key benefits of industrial clustering, which can lead to both economic growth and environmental sustainability.

Below are the main advantages of developing industrial clusters for raw material production in Romania:

1. **Economies of Scale**
2. **Increased Productivity and Efficiency**
3. **Improved Innovation and Knowledge Sharing**
4. **Enhanced Market Access and Competitive Advantage**
5. **Job Creation and Economic Growth**
6. **Sustainability and Environmental Impact**
7. **Resilience to External Shocks**
8. **Cluster Development as a Long-Term Strategy**

1 Economies of Scale

Cost Reduction through Shared Resources

Industrial clusters allow businesses to share resources, reducing costs for individual companies. For example, DN AGRAR can share infrastructure such as transportation networks, storage facilities, and processing plants, allowing companies within the cluster to benefit from reduced capital expenditures and operational costs.

Bulk Purchasing

By pooling the purchasing power of several companies in the cluster, the group can obtain raw materials, machinery, and other supplies at lower costs. This results in economies of scale, reducing input costs for all players in the cluster.

Shared Innovation

Collaboration between different entities in the cluster can lead to shared research and development (R&D) initiatives, reducing costs associated with innovation and improving product quality. For instance, DN AGRAR can jointly invest in smart farming technologies, new greenhouse models, or organic fertilizer innovations to enhance the efficiency and sustainability of the entire cluster.

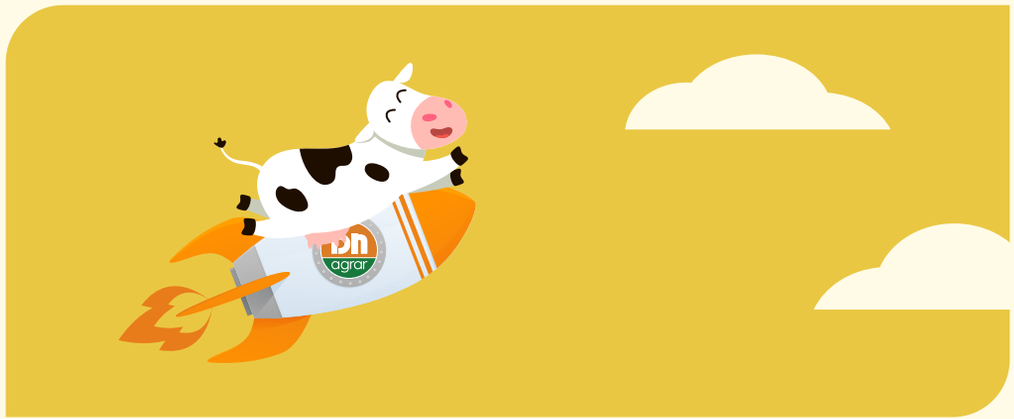
2 Increased Productivity and Efficiency

Streamlined Operations

The integration of agricultural production, energy generation, and food processing within the same cluster reduces inefficiencies and delays that typically occur in traditional supply chains. By minimizing transportation time between production, processing, and distribution, businesses can increase the speed and efficiency of production.

Optimized Resource Use

By incorporating technologies such as IoT (Internet of Things) sensors, AI for predictive analysis, and automated systems in farming and processing operations, DN AGRAR's industrial cluster can significantly improve resource efficiency (water, energy, labor). This translates to higher productivity and lower operating costs.



JIT Production

Industrial clusters can facilitate **just-in-time** production methods where raw materials (like vegetables or fruits) are immediately processed and packaged, reducing the need for excessive storage. This helps prevent spoilage and ensures that products are brought to market in the freshest state possible.

3 Improved Innovation and Knowledge Sharing

Cross-Sector Collaboration

Industrial clusters encourage businesses to work together, share best practices, and innovate. For DN AGRAR, collaboration between agriculture experts, energy specialists, and food processing engineers can result in the development of cutting-edge technologies, systems, and techniques that improve efficiency and sustainability.

Innovation Hubs

The concentration of agricultural, energy, and industrial expertise creates an environment where research and development can thrive. The cluster could serve as a hub for agri-tech innovation, including the development of climate-smart agriculture, water-efficient irrigation technologies, and sustainable food processing techniques. This collaboration accelerates the pace of technological advancement and market-ready solutions.

Technological Transfer

Knowledge sharing within the cluster fosters technological transfer, where innovations from one company or industry can be quickly adapted and applied to other businesses. For example, solar-powered irrigation systems developed by one firm could be adopted by others in the cluster, improving energy efficiency and sustainability across the board.

4 Enhanced Market Access and Competitive Advantage

Stronger Market Presence

By joining forces with other companies within an industrial cluster, DN AGRAR can collectively strengthen its market position. Clusters help firms achieve greater visibility in the marketplace, allowing them to better compete against larger, multinational firms. Collaborative branding and marketing initiatives can also help strengthen the reputation of the cluster's products, especially if they are focused on sustainability and local production.

Better Access to Regional and Global Markets

The proximity to key markets in Eastern Europe, combined with access to the EU's Single Market, offers enhanced export opportunities for the cluster's products. A consolidated supply chain and the ability to produce high-quality, sustainable food products year-round can help DN AGRAR's industrial cluster dominate regional markets like Hungary, Poland, and Ukraine, as well as expand into Western Europe.

Sustainability as a Competitive Advantage

With growing demand for sustainably sourced and organic foods, DN AGRAR's industrial cluster can position itself as a leader in green agriculture by leveraging its strengths in solar energy, organic fertilizer production, and low-carbon food processing. Consumers are increasingly willing to pay a premium for sustainably produced goods, giving the cluster a competitive edge in both local and export markets.

5 Job Creation and Economic Growth

Local Employment Opportunities

The establishment of an industrial cluster focused on agri-food production creates a wide range of job opportunities within the local community. These could include roles in agriculture, food processing, logistics, energy production, research and development, and administration. The cluster also supports the training and upskilling of workers, improving labor force capabilities in the region.

Attracting Investment

Industrial clusters tend to attract investment from both private and public sectors, as they offer a concentration of industries that can share resources, lower risk, and achieve higher returns. For example, the Romanian government and the EU are likely to support the development of sustainable agricultural hubs by providing funding, tax incentives, or subsidies for green technology, infrastructure development, and R&D initiatives.

Economic Diversification

The creation of a comprehensive agri-food industrial cluster helps diversify the local economy, making it less reliant on a single industry. By combining agriculture, renewable energy, food processing, and logistics, the cluster boosts economic resilience and reduces vulnerabilities to external shocks (e.g., price fluctuations in raw materials or energy crises).

6 Sustainability and Environmental Impact

Reduced Environmental Footprint

By combining renewable energy (solar power) with organic farming methods and sustainable food processing, DN AGRAR's industrial cluster can significantly reduce its environmental footprint. For example, using organic fertilizers rather than chemicals and integrating closed-loop water systems in greenhouses would minimize pollution and enhance sustainability.

Resource Efficiency

The efficient use of solar energy and organic fertilizers reduces reliance on fossil fuels and synthetic chemicals, thus decreasing the cluster's overall impact on the environment. The use of solar power also lowers greenhouse gas emissions and minimizes the environmental costs of food production.

Circular Economy Model

The industrial cluster could adopt a circular economy model where waste from one stage of the process (e.g., food by-products, agricultural waste) is used as input for another process (e.g., fertilizer production, bioenergy). This reduces waste, conserves resources, and promotes a more sustainable food production system.

7 Resilience to External Shocks

Supply Chain Stability

Industrial clusters, particularly those with diversified operations (agriculture, energy, processing, etc.), are more resilient to disruptions. For instance, even if one part of the supply chain faces a challenge—such as a crop failure—other parts of the cluster (like solar energy production or food processing) can continue to operate, reducing the impact on the cluster as a whole.

Risk Mitigation

By diversifying the types of activities within the cluster (e.g., farming, energy production, food processing), DN AGRAR can mitigate risks associated with changes in demand, weather patterns and volatile prices. This makes the cluster more adaptive to changing conditions in global markets and local economies.

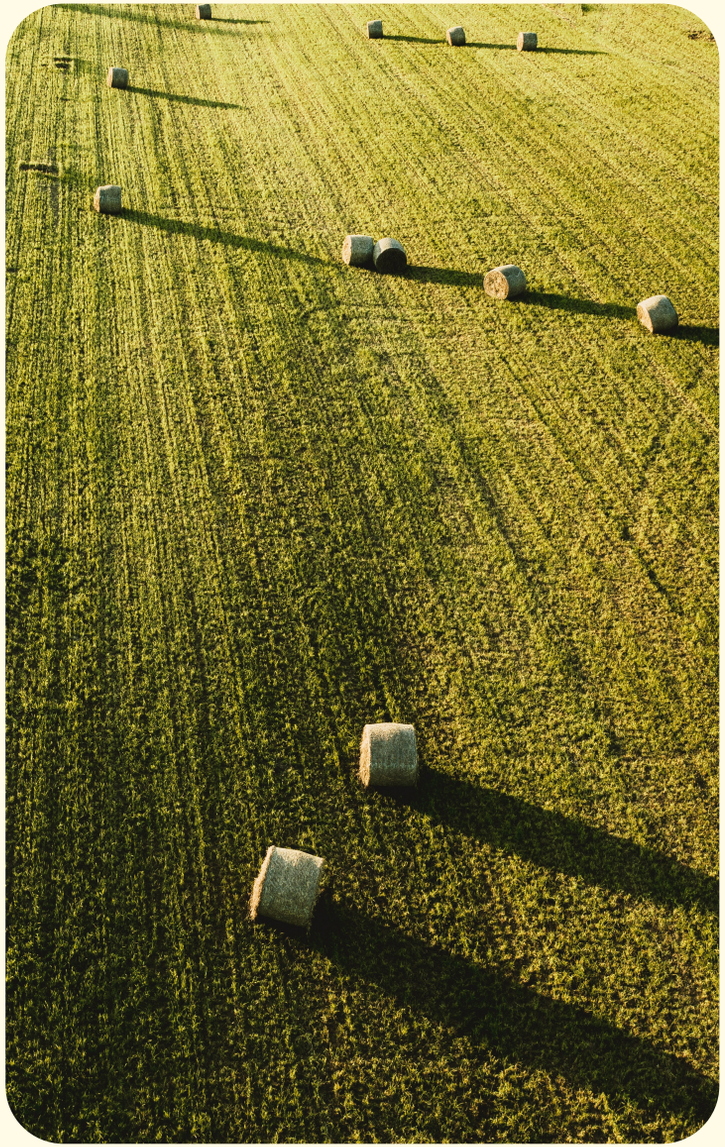
8 Cluster Development as a Long-Term Strategy

Community and Regional Development

Over time, an industrial cluster attracts not only businesses but also research institutions, universities, and service providers. As the cluster grows, it can become a hub for entrepreneurial activity and a focal point for regional development, driving long-term prosperity in rural and urban areas alike.

Scaling Opportunities

As the cluster achieves success, DN AGRAR can replicate the model in other regions of Romania or even other countries, creating new economic hubs that continue to foster growth, innovation, and sustainability.



Conclusion

The development of industrial clusters in Romania for raw material production in the agri-food sector offers a range of economic, environmental, and social benefits. By consolidating resources, technologies, and expertise, **DN AGRAR can drive innovation, reduce costs, increase productivity, and create sustainable solutions for food production.**

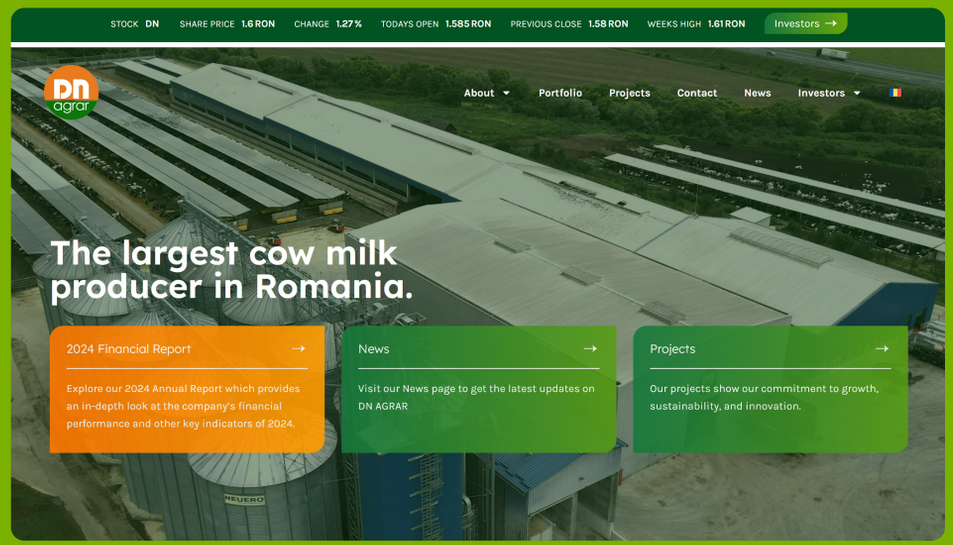
Additionally, the industrial cluster model fosters job creation, economic resilience, and regional development, contributing to the broader goal of building a competitive and sustainable agricultural industry in Romania and Eastern Europe.

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.



How do you contact us?

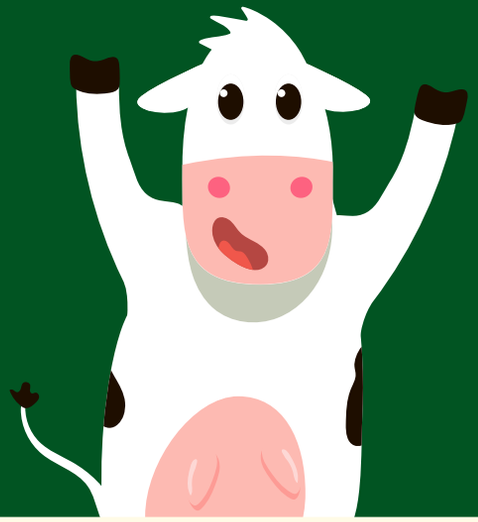
Peter de Boer, CEO & BoD Member
DN AGRAR Group

General information

Piața Iuliu Maniu Street, No. 1,
Alba-Iulia County, Romania

(+)40 258 818 114
(+)40 258 818 115

office@dn-agrar.eu
investors@dn-agrar.eu



Happy Cows - Healthy Milk - Satisfied Customers