DN AGRAR records a 40% EBITDA margin in H1 2026 despite pressure from lower milk prices

Press release

Alba-Iulia, August 24, 2026 - DN AGRAR Group (BVB: DN), one of the leading integrated agrifood companies in Romania and the largest dairy milk producer in Europe, closed the first semester of 2026 with a turnover of RON 90.3 million, EBITDA of RON 36 million and a net profit of RON 13.7 million. The financial results recorded reflect the level of milk prices across Europe compared with the strong levels recorded in the first half of 2025, as well as continued pressure from operating costs and unfavorable foreign exchange movements. The EBITDA margin stood at 40%, with the impact of lower milk prices partially offset by higher production volumes.

Peter de Boer, CEO, DN AGRAR Group:

"The activity from the first six months of 2026 reflected DN AGRAR's ability to navigate a more challenging market environment while continuing to advance the long-term development strategy. We continued to increase milk production, maintained good profitability and advanced the investments that will support DN AGRAR's next phase of growth. The turnover recorded a moderate decline, while profitability was lower primarily reflecting the decline of the milk prices with 30% and the unfavorable movements of the exchange rate. We had anticipated this market adjustment when preparing our 2026 budget, considering the volatility of the European dairy market, inflationary pressures and the broader geopolitical environment. Nevertheless, we remained focused on the factors within our control: increasing production, improving operational efficiency, maintaining cost discipline and executing our major investment projects. We invested more than EUR 6 million in the first six months of the year and secured approximately EUR 20 million in financing."

Financial highlights for H1 2026:

- **Operating revenue** reached RON 158 million, the same level as last year**.**
- **Revenues from production sold** amounted to RON 90 million, down 9% year-on-year, with milk sales remaining the Group's main source of revenue**,** having also contributions from compost and the sale of young cattle.
- **Revenues from operating subsidies** increased by 49% to RON 22 million, driven by higher support levels for milk production and animal welfare, including a non-recurring component, as well as the inclusion of the Straja farm in the eligible subsidy base.
- **Operating expenses** reached RON 132 million, up 10%, mainly reflecting the expansion of the Group's operations.
- **EBITDA** reached RON 36 million, with an EBITDA margin of 40%.
- **Net profit** reached RON 13.7 million, down 49%, reflecting a 30% lower milk selling prices and a negative impact of RON 8.5 million on the financial result, driven by higher foreign exchange losses arising from the revaluation of the Group's foreign currency-denominated loan balances.

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- The financial result resulting from the revaluation of foreign currency balances of loans contracted by the company contributed to the decrease in the result of the period, without directly reflecting the evolution of the company's operational performance.
- **Total assets** reached RON 477 million, up by 8% compared to the end of the previous year.
- **Total liabilities** amounted to RON 244 million, up by 10% compared to the end of 2025.
- **Long-term liabilities** were approx. RON 138 million, up by 4% compared to the end of the previous year, in the context of the Group's ongoing investments.

In accordance with IFRS standards, the company reported an EBITDA of RON 41.6 million and a net profit of RON 21.3 million.

Investments - During H1 2026, DN AGRAR continued to execute its 2025–2030 Development Strategy, securing approximately EUR 20 million in financing and advancing all major strategic projects. Key milestones included completing the new milk processing facility, securing financing for the CUT 2 farm and two new composting facilities, advancing the vertical wheatgrass farm and Food Cluster initiative, and signing a binding offer for the acquisition of Panorganic Vitavit. The biomethane project also progressed according to plan. Together, these investments will increase production capacity, vertical integration and revenue diversification, supporting the Group's long-term growth.
Detailed information about the strategic projects can be found on the company website, section Projects - https://dn-agrar.eu/projects/.

Outlook - Based on our operationall performance during the first six months, we expect full-year milk production growth to exceed our initial assumption of 10%. Based on the progress achieved so far, we remain confident in our ability to deliver on our 2026 guidance. The second half of the year will also mark several important milestones for DN AGRAR following the investments made. 2026 is a transition year from a financial perspective but from an operational perspective, DN AGRAR remains very active and focused on execution.

The detailed H1 2026 report is available **here.**

About DN AGRAR Group

DN AGRAR Group is the largest dairy milk producer in Europe and one of the leading integrated agrifood company in Romania, listed on the Bucharest Stock Exchange since 2022.

The Group operates an integrated business model focused on milk production, crop cultivation, organic composting and green energy, supporting a sustainable, circular agriculture. With five large-scale farms and a livestock base of over 18,000 heads, it delivers over 70 million liters of milk per year, with the goal to double the production to 150 - 200 million liters annually by 2030. DN AGRAR Group manages more than 10,000 hectares of farmland and two compost facilities with a capacity of 14,000 tons of organic fertilizer per year, aiming to increase this to 40,000 tons by 2030. The Group has tripled its

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business in just three years since going public and now targets a doubling of EBITDA by 2030, alongside the ambition to produce net-zero milk.

To support its growth as a regional leader in premium dairy and food production, DN AGRAR Group's 2030 strategy combines the doubling of milk production capacity with expansion into complementary business segments. These include vertical wheatgrass farms, expected to supply 30% of the current feed input, biomethane production in partnership, industrial greenhouses, and expanded composting infrastructure. Together, these initiatives are designed to enhance operational performance and efficiency, being also enablers for the development of industrial clusters and projects for increasing milk value.

Founded as a family business in 2008 by Jan Gijsbertus de Boer, DN AGRAR Group operates in the heart of Transylvania, with activities spanning in three counties - Alba, Sibiu, and Hunedoara. Listed on the AeRO market of the Bucharest Stock Exchange since February 2022, the company is included in the BETAeRO local index, as well as in the international indices MSCI Frontier IMI and MSCI Romania IMI (Small Cap category).

More details at https://dn-agrar.eu

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

Youtube: https://www.youtube.com/watch?v=GxRW4Il1F6c

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