

Report of the Chairman of the Board of Directors at FirstFarms' Annual General Meeting on 29 April 2025

Dear shareholders,

My name is Henrik Hougaard.

As Chairman of the Board of FirstFarms, I have been looking forward to welcoming you to this year's Annual General Meeting here in Billund.

We are 60 shareholders gathered today.

Anders Nørgaard will provide a review of 2024, and I will present a report. Here are some of the main points of the presentations you will hear.

- We put into words the 2024 result, and some of the projects that had an impact on the year and that will have an impact in the years ahead
- We put our expectations for 2025 into words
- We inform about the outbreak of foot and mouth disease on our cattle farm in Plavecky, Slovakia
- And then we talk about the process of Heartland's purchase offer and the subsequent withdrawal of the offer

The key figures were as follows:

- We delivered a turnover of 454 mDKK – 8 mDKK less than in 2023
- EBITDA increased from 101 mDKK to 105 mDKK
- EBIT decreased from 50 mDKK to 43 mDKK
- The Group's profit after tax was 16 mDKK, compared to 26 mDKK in 2023

Equity is 819 mDKK, which is an increase of 97 mDKK. The Group thus came out of 2024 with a solvency ratio of over 48 %.

When the annual result still does not live up to expectations, it is because we had expected larger growth in relation to the objectives in our Strategy 2028.

If we look at the strategic initiatives that were launched as part of Strategy 2028, we were successful last year.

The primary negative impact on the result took place in our crop production. We suffered the consequences of extreme, rapidly changing weather conditions resulting in difficult growing conditions that affected the harvest and harvest yields. We ended up 39 mDKK below budget in our plant production.

When we still deliver a profit in 2024, it is related to our circular operations and risk diversification. Pig prices were acceptable and milk prices high. However, our dairy cows were hit by heat stress in late summer, which meant that productivity in milk production dropped temporarily.

We have created an efficient circular operation where our resources and processes are connected. This has given us good control over our own value chain, which, together with a healthy and solid balance, is a prerequisite for us to be able to manage sensibly and continue to develop when we are challenged by external factors – such as the weather – or what we are affected by now – serious illness.

Anders will soon take you a step deeper in the production.

2024 was very much in the sign of Strategy 2028.

The roll-out involved the entire organisation and a number of large and small initiatives with great importance for the development of FirstFarms saw the light of day.

We invested in the development of our pig production, which today is one of Central Europe's most modern and most efficient - and at the same time with a high focus on animal welfare.

We started using our new irrigation system in Romania. 1,300 hectares under irrigation. Perhaps the biggest success of the year. In the autumn of 2024, we began the expansion of the facility so that in a few weeks we will have 2,000 hectares under irrigation.

We also started the construction of new silos in Romania, so that this summer we will double the capacity to 46,000 tons.

Of the less visible but at least as important strategic initiatives, I would like to mention the development of an ambitious leadership development program that took off.

Here I must also mention the important work that was initiated to develop sustainability plans for all our farms. The work is still ongoing and is part of our efforts to create an increasingly sustainable and circular operation in the Group.

The work with sustainability is therefore one of the key elements of Strategy 28. We have a responsibility and a task that we take seriously.

Finally, I would like to mention the construction of our dairy on the farm in Plavecky. In two months, we were supposed to have inaugurated the dairy with celebrations and festivities, but the inauguration has been postponed for some months due to the outbreak of foot and mouth disease on the farm.

In many ways, the dairy is the image of the future FirstFarms:

- Partnership with one of the world's largest distributors of dairy products.
- Direct supply of concentrated milk and cream to some of Europe's largest food producers.

With the dairy, we move up into a different European league – closer to those who produce food, closer to consumers – and in a more sustainable way. For example, we are significantly reducing the quantities transported.

On the morning of Sunday, March 30, we discovered a cow with symptoms of foot and mouth disease on our farm in Plavecky, Slovakia. The farm had a herd of 3,487 animals and is the largest of our four farms with cows. Later that day, the Slovak authorities confirmed that we had an outbreak on the farm. Our herd on the 3 other properties in the area were free of infection – and still are.

Anders will go into a little more details about the process and give you a here and now status. I will look a little ahead because the outbreak will of course affect FirstFarms – not just this year – but also the coming year.

First, however, on behalf of myself and the board, I would like to extend a very big thank you to all managers and employees in FirstFarms for their contribution to the handling of the outbreak of foot and mouth disease over the past month. The effort has been and continues to be unique and has taken place under very difficult conditions.

A special thank you goes to the 29 managers and employees who went into voluntary isolation inside the farm from the moment the first cow was diagnosed with infection until all 3,487 animals were culled 8 days later. The rest of us can only imagine what they have been through in the stables in those days, but they were there, and they solved a very difficult and important task together with the team deployed by the Slovak authorities.

We are re-establishing our milk production as soon as possible and expect to put in the first animals around 1 November, but it will take about two years before the stables are fully filled again.

The next months are spent cleaning, preparing and renovating. On top of that, there is the whole planning phase and the logistic work of getting cows back in, and then there is the entire financial aftermath, where we expect to be partially compensated for our losses through insurance and EU support schemes.

Of course, we are fully insured, but the insurance does not cover operating losses. Fortunately, we have a solid economy, so we can and will re-establish our milk production to full strength.

This brings me to the expectations for 2025, and they are affected by the foot and mouth disease. The day after the infection was confirmed, we adjusted our expectations for the year downwards by 45 mDKK to an EBITDA in the range of 70-110 mDKK and an EBIT of 0-40 mDKK. However, the downward adjustment does not take into account any receipts of funds from regional, national or EU support schemes.

We have expectations for an excellent year in the other branches of operation – pigs, fields and land. Pig prices have increased in 2025, and our pig production is efficient. We are now fully capitalising on expansion in Hungary, which is in full operation.

The crops are generally good in the fields, the prices are reasonable, however, much depends on the nature of the weather over the summer. Fortunately, we are now ready to put another 700 hectares under irrigation in Romania. This will have a positive impact on both harvest yield and quality.

So far, 2025 has also been characterised by the fact that our major shareholder Heartland, via its subsidiary Constantinsborg A/S, announced its decision on 11 February to make a voluntary cash offer for all shares in FirstFarms.

Heartland also indicated that it wanted shareholder support for a delisting of FirstFarms from Nasdaq Copenhagen.

On 7 March, the offer was submitted and on 17 March, FirstFarms' board of directors published its statement, which was made as a result of the offer.

Heartland is represented by Lise Kaae on FirstFarms' board, and she has therefore not participated in the board's discussions about the content of Heartland's offer.

To ensure an impartial assessment of the offer, FirstFarms' Board of Directors obtained advice and a fairness opinion from the financial advisor ABG Sundal Collier.

ABG Sundal Collier assessed that the price offered was insufficient from a financial perspective for FirstFarms' shareholders.

The Board of Directors unanimously decided not to make a recommendation for or against accepting the offer on the grounds that it will largely depend on the individual shareholder's circumstances, expectations, risk profile and investment horizon whether an acceptance or rejection of the offer will be the right choice.

The tender offer was valid until 7 April, but on 31 March, Heartland withdrew the purchase offer and at the same time withdrew the proposal to delist FirstFarms. The withdrawal was based on the outbreak of foot and -mouth disease on FirstFarms' dairy farm and that the outbreak would constitute a significant negative change for FirstFarms. The reason was also that the management should have peace of mind to deal with the situation with foot and mouth disease.

Let me make it clear that a shareholder has the right at any time to make a voluntary purchase offer and set the price they wish to give for the shares. It is also the right of the individual shareholder to accept or decline the offer.

Of course, there are many opinions about the price as well as what is good or bad for FirstFarms and for the shareholders.

In a process like the one we have been through, there is a limit to what may and can be communicated, and I and the rest of the board of directors, including Lise Kaae, fully understand the possible frustrations such a process has given rise to among some shareholders. Therefore, we in the board are also pleased that Lise Kaae will answer any questions today, just as I am available for questions.

What I can say now is that FirstFarms is so far executing on Strategy 2028 and the elements the strategy contains in order to achieve the goals we have set for ourselves. If the strategy changes, we will of course inform you immediately.

Let me continue my report by talking about the composition of the board.

Karina Boldsen and Jens Bolding Jensen are not up for re-election and are therefore stepping down from the board. The Board of Directors will later propose that the General Meeting adopts that the Board of Directors shall consist of 6 members in the future, and that the General Meeting elects Jesper Pagh as a new member. Jesper is a former Executive Vice President of DLG and he will introduce himself later at the Annual General Meeting.

The new board of directors will constitute itself after the general meeting.

Before I round off my report, I would like to discuss the development of the FirstFarms share, the remuneration to the Board of Directors and the remuneration of the management – including the allocation of warrants.

The price of FirstFarms' share increased in 2024 by 7.1 % from a price of 67.60 at the beginning of the year to a price of 72.40 at the end of the year. The turnover in the share per trading day was on average DKK 641,498 in 2024.

The price has fluctuated more than usual in 2025 as a result of Heartland's purchase offer and the outbreak of foot and mouth disease. The share price yesterday was 67, which is a decrease of 8 % year to date. Turnover has decreased to DKK 575,637 on average per day in 2025 compared to DKK 641,498 in the whole of 2024.

At the time of publication of the financial statements, we were 2,541 shareholders.

FirstFarms' general guidelines for incentive pay of management are set out in the Remuneration Report and the Remuneration Policy.

The Board of Directors receives a fixed remuneration, which is stated in both the Annual Report and the Remuneration Report.

The bonus granted to the company's CEO and the warrants granted to the company's two top management layers are within the framework of the company's remuneration policy.

The Board of Directors has chosen not to recommend distribution of dividends.

In conclusion, I would like to thank the board for a good collaboration. A special thank you for the efforts of Karina Boldsen and Jens Bolding Jensen, who are now leaving the board after 5 and 12 years of effort, respectively.

On behalf of the board, I would also like to thank all employees in FirstFarms for a good, dedicated effort.

Last but not least, a special thank you goes to Anders, who today has his last day of work at FirstFarms. As CEO of FirstFarms for 13 years, Anders has lifted the Group to where it is today – a modern, financially sound, well-functioning Group with a strong culture.

Thank you for that, Anders and good luck with your new job.

Thank you for your attention.