

# REMUNERATION REPORT'24



*This remuneration report is composed in Danish and English. In case of doubt, in relation to interpretation, the Danish version takes precedence.*



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# 1. LETTER FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

On behalf of FirstFarms' Board of Directors, I will present the remuneration report for 2024.

The remuneration report has been prepared in accordance with section 139 b of the Danish Companies Act and recommendation 4.2.3. of the Recommendations for good Corporate Governance (the "Recommendations") issued by the Committee for good Corporate Governance.

This remuneration report (the "Remuneration Report") provides an overview of the total remuneration received by each member of the Board of Directors ("Board of Directors") and the Executive Management ("Executive Management") of FirstFarms A/S, CVR No. 28312504, (the "Company") during the financial year 2024 compared to the previous two financial years. The Executive Management includes the members of the Company's Executive Management, who is registered with the Danish Business Authority.

Our purpose in the report is to present a transparent and in-depth statement to our shareholders and other stakeholders of the remuneration of FirstFarms' Board of Directors and Executive Management. In addition, we will highlight how the remuneration is linked to achieved results and FirstFarms' strategy.

In 2024, FirstFarms delivered a turnover of 454 mDKK, an EBITDA of 105 mDKK, an EBIT of 43 mDKK, and a result after tax of 16 mDKK. Although the Group nearly met the originally stated expectations, the earnings were not satisfactory. The weather was the primary reason why earnings were disappointing in 2024.

The poorer conditions for crop production are partly offset by positive developments in the other branches of operation. The business model of risk diversification across different branches of operation works and ensures stable operations.

In 2024, several projects were implemented or launched, ensuring strategic development of the Group and supporting Strategy 2028. In 2024, the irrigation system in Romania was completed and put into operation. An expansion of the irrigation system started in the autumn. So was a large silo plant in Romania. In Slovakia, the construction of its own dairy began.

The remuneration of FirstFarms' CEO in 2024 reflects the achievement of stable operating results and progress in strategic development, which contributes to long-term value creation. The CEO has received a cash bonus of 8% of the fixed remuneration.

The remuneration of the Board of Directors and the Executive Management in the closed financial year has been granted in accordance with the Company's Remuneration policy,

## 1. LETTER OF CHAIRMAN OF THE BOARD OF DIRECTORS (CONTINUED)

which was approved at the annual general meeting on 16 April 2024. The Remuneration policy is available on the Company's website [here](#). The Board of Directors believes that a combination of a fixed and performance-based salary for the Executive Management helps to ensure that the Company can attract and retain key people, while encouraging these persons to both short- and long-term value creation for the benefit of shareholders.

The information contained in the Remuneration Report is derived from the audited annual report of the Company for the financial year 2023, which is available on the Company's website [here](#). All amounts are expressed in DKK.

The remuneration report provides an overall overview and an explanation of how the total remuneration is consistent with the agreed-upon Remuneration policy. It also includes how remuneration contributes to the business strategy, long-term interests, sustainability, and value creation in the Company by supporting the Company's long-term and short-term goals.

Henrik Hougaard  
Chairman of the Board of Directors







## 2. REMUNERATION OF THE BOARD OF DIRECTORS

The Board of Directors is paid a fixed fee, which is approved by the general meeting. No agreements on incentive pay and severance arrangements are concluded with the Board of Directors. The amount of the fee is determined on the basis of a comparison with the level of board remuneration at other comparable companies, taking into account the required competencies, performance and the volume of work of board members.

### 2.1 BOARD FEE FOR 2024

At the annual general meeting on 16 April 2024, it was decided that the board fee for 2024 will be changed, compared to 2023, thus the Chairman of the Board will receive DKK 420,000 annually, the Vice Chairman of the Board and the Chairman of the Audit committee will each receive DKK 210,000 annually and other members of the Board will receive DKK 140,000.

The Chairman of the Board of Directors receives 3.0 times the fixed annual cash remuneration. The Vice Chairman of the Board of Directors and Chairman of the Audit Committee receive 1.5 times the fixed annual cash remuneration. Remuneration is only paid for a chairmanship position. Travel expenses are settled according to the state rates.

At the annual general meeting on 16 April 2024, it was decided that the Board of Directors may in future consist of a minimum of three and a maximum of seven members. From the annual general meeting on 16 April 2024, the Board of Directors of FirstFarms A/S will consist of 7 members, where the new member was elected to the Board of directors.

According to note 7 in the Annual Report 2024, the Board of Directors' fee for 2024 amounts to 1,193 tDKK of the total amount for personnel costs for the financial year 2024 and can be specified as follows:

tDKK	2024	2023	2022
Henrik Hougaard, Chairman of the Board	360	240	240
Asbjørn Børsting, Vice Chairmane	180	120	120
Jens Bolding Jensen, board member	132	120	120
Karina Boldsen, board member, Chairman of the Remuneration and Nomination Committe	127	100	100
Bendt Wedell, board member	127	100	100
Claus Ewers, board member (entered in April 2022)	127	100	67
Lise Kaae, board member, Chairman Audit Committee (entered in April 2024)	140	0	0
<b>Total</b>	<b>1,193</b>	<b>780</b>	<b>747</b>
<b>Increase in the total board fee</b>	<b>53%</b>	<b>4%</b>	<b>10%</b>

The remuneration of the Board of Directors can be specified as follows:

tDKK	Fixed annual fee	Audit committee	Remuneration and nominati- on committee	Total
Henrik Hougaard, Chairman of the Board	360	-	-	360
Asbjørn Børsting, Vice Chairmane	180	-	-	180
Jens Bolding Jensen, board member	132	-	-	132
Karina Boldsen, board member, Chairman of the Remuneration and Nomination Committe	127	-	-	127
Bendt Wedell, board member	127	-	-	127
Claus Ewers, board member (entered in April 2022)	127	-	-	127
Lise Kaae, board member, Chairman Audit Committee (entered in April 2024)	93	47	-	140
<b>Total</b>	<b>1,146</b>	<b>47</b>		<b>1,193</b>





## 3. REMUNERATION OF THE EXECUTIVE MANAGEMENT

The remuneration of the Executive Management is composed based on and in accordance with FirstFarms' Remuneration Policy. The remuneration of the Executive Management is assessed annually. The Company's remuneration and nomination committee makes proposals to the Board of Directors for remuneration to the Executive Management, which must be approved by the Board of Directors.

The remuneration of the Executive Management consists of fixed and variable parts. The combination of a fixed and a variable remuneration is intended to ensure that the Executive Management supports the Company's strategy and reward their efforts for the creation of good financial results in the short term and sustainable value creation in the long term for the benefit of the Company's shareholders.

### 3.1 COMPOSITION OF THE REMUNERATION OF THE EXECUTIVE MANAGEMENT

The fixed part of the Executive Managements remuneration consists of remuneration components, such as fixed cash salary, pension contribution, usual accessory benefits such as company car, insurance, telephone, etc.

The variable part consists of short-term and long-term incentive pay.

A cash bonus scheme is part of the short-term variable remuneration that the Company's Executive Management may receive depending on the achievement of specific objectives set by the Board of Directors. The purpose of the cash bonus scheme is to motivate the Executive Management to achieve certain short-term financial objectives. The cash bonus, that can be obtained within a financial year, may for the member of the Executive Management, represent 33.33% of the fixed remuneration, including pension contribution and excluding usual accessory benefits.

Allocation of warrants is part of the long-term variable remuneration. The purpose of granting warrants is to maintain the Executive Management and to encourage long-term value creation and sustainability for the benefit of shareholders. The long-term value creation could be risk diversification, result per share, business development. The value of warrants allocated within a financial year must not exceed 30% of the fixed remuneration of the member of the Executive Board, excluding pension contribution and usual accessory benefits, for a period corresponding to the period from the date of allocation to the date of utilisation.

### 3.2 REMUNERATION OF THE EXECUTIVE MANAGEMENT IN 2024

In 2024, the remuneration of the Executive Management is paid based on and in accordance with FirstFarms' Remuneration policy. FirstFarms delivered a 2024 result below the announced expectations, with extreme weather conditions being the primary reason for disappointing earnings in 2024. The difficult weather conditions were offset by stable operations with high productivity and efficiency. During 2024, several projects were implemented and initiated, which help to ensure long-term value creation in the Group.

The Group's result after tax amounts to 16 mDKK compared to 26 mDKK in 2023. EBITDA and EBIT amounts to 105 mDKK (2023: 101mDKK) and 43 mDKK (2023: 50 mDKK), respectively. The originally announced expectations for 2024 were an EBITDA of 110-140 mDKK and EBIT of 50-80 mDKK. FirstFarms thus achieves a result just below the expectations announced at the beginning of the year.

Since the achieved financial results are below the set financial KPIs such as EBITDA, profit for the year, earnings per share, the conditions for triggering a cash bonus are therefore not met. However, the partially realized target regarding renewable energy triggers a cash bonus of 8% of the fixed remuneration to CEO Anders H. Nørgaard.

KPI - variable remuneration	Weighing	Realised
EBITDA	25%	Below
Net profit	25%	Below
Earnings per share	25%	Below
Workplan for renewable energy	25%	Partly

The company has not used the possibility of demanding variable remuneration back.

The breakdown between fixed and variable remuneration, which is divided into cash bonus and the carrying amount of warrants, is shown in the figure below.

The total remuneration, including value of employee benefits for FirstFarms' CEO Anders H. Nørgaard amounts to 3,371 tDKK in the financial year 2024 and was composed as follows:

tDKK	Fixed annual remuneration			Variable remuneration		Total
	Fixed cash salary	Pension contribution	Accessory benefits	Cash bonus	Warrants	
2024 Remuneration in the annual report	2,348	185	134	208	496	3,371
2023 Remuneration in the annual report	2,087	165	142	372	480	3.246
2022 Remuneration in the annual report	1,988	153	165	808	354	3.468
2021 Remuneration in the annual report	1,661	204	89	628	143	2.725



FirstFarms' CEO Anders H. Nørgaard was allocated 25,000 warrants in 2024. The estimated present value of the allocated warrants is determined in accordance with the principles of recognition in the Company's annual report in accordance with the accounting principles in force at any time, including Black Scholes. The estimated present value of the allocated warrants was 356 tDKK. When allocating warrants, the utilisation date shall be no earlier than 2 years and no later than 5 years after the allocation date. The utilisation price for the warrants allocated in 2023 is 66.32. The allocated warrants can be utilised in a period of 4 weeks from the Company's announcement of the interim report for the period 1 January 2027 – 31 December 2027.

FirstFarms' CEO Anders H. Nørgaard was allocated 25,000 warrants in 2023. The estimated present value of the allocated warrants is determined in accordance with the principles of recognition in the Company's annual report in accordance with the accounting principles in force at any time, including Black Scholes. The estimated present value of the allocated warrants was 343 tDKK. When allocating warrants, the utilisation date shall be no earlier than 2 years and no later than 5 years after the allocation date. The utilisation price for the warrants allocated in 2023 is 87.14. The allocated warrants can be utilised in a period of 4 weeks from the Company's announcement of the interim report for the period 1 January 2026 – 31 December 2026.

FirstFarms' CEO Anders H. Nørgaard was granted 50,000 warrants in 2022. The estimated present value of the allocated warrants is determined in accordance with the principles of recognition in the Company's annual report in accordance with the accounting principles in force at any time, including Black Scholes. The estimated present value of the allocated warrants was 1,279 tDKK. When allocating warrants, the utilisation date shall be no earlier than 2 years and no later than 5 years after the allocation date. The utilisation price for the warrants allocated in 2022 is 68.82. The allocated warrants can be utilised in a period of 4 weeks from the Company's announcement of the interim report for the period 1 January 2025 – 31 December 2025.

The utilisation price is determined by the Board of Directors.

The number of allocated warrants in 2024 and its value are shown in the following table:

	No. of allocated warrants (pcs.)	Total value (tDKK)	Part of the total remuneration
Anders H. Nørgaard, CEO	25,000	356	13%

Overview of the Executive Managements holdings of warrants in 2024:

2024	Warrants, start (pcs.)	Utilised (pcs.)	Allocated (pcs.)	Warrants end (pcs.)	Value outstan- ding warrants, tDKK	Value utilised warrants, tDKK
Anders H. Nørgaard, CEO						
Allocated in 2020	40,000	40,000	0	0	0	232
Allocated in 2020	10,000	10,000	0	0	0	138
Allocated in 2022	50,000	0	0	50,000	1,279	0
Allocated in 2023	25,000	0	0	25,000	343	0
Allocated in 2024	0	0	25,000	25,000	356	0
<b>Total</b>	<b>125,000</b>	<b>50,000</b>	<b>25,000</b>	<b>100,000</b>	<b>1,978</b>	<b>370</b>

### 3.3 ANNUAL CHANGES IN THE REMUNERATIO OF THE EXECUTIVE MANAGEMENT

tDKK	2024	Annual change	2023	Annual change	2022
Anders H. Nørgaard, CEO	3,371	125	3,246	-222	3,468
<b>Results of the Group</b>					
Net turnover	454,019	-7,543	461,562	43,173	418,389
Result before depreciations (EBITDA)	105,316	4,075	101,241	-45,380	146,621
Result before primary operations (EBIT)	42,950	-7,144	50,094	-45,840	95,934
Net profit	16,349	-9,693	26,042	-39,424	65,466
Earnings per share, DKK	1.55	-1.13	2.68	-4.88	7.56
<b>Average remuneration of employees of FTE</b>					
The Group's employees	288,103	19,416	268,687	23,983	244,704





## 4. STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors has discussed and approved the remuneration report for the financial year 2024 for FirstFarms A/S.

The remuneration report is presented in accordance with Section 139 b of the Danish Companies Act. The remuneration report is recommended for an indicative vote at the general meeting.

Billund, 13 March 2025

### The Board of Directors

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Henrik Hougaard  
Chairman of the Board

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Asbjørn Børsting  
Vice chairman

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Jens Bolding Jensen

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Karina Boldsen

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Bendt Wedell

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Claus Ewers

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Lise Kaae



