

Company announcement no. 4/2017**31 January 2017****Purchase of pig production – due diligence completed**

On 2 November 2016, FirstFarms A/S entered a conditional agreement about purchase of Dan-Farm Holding A/S, who owns 80 percent of the Hungarian company Dan-Farm Hungary Kft., cp. company announcement no. 12/2016 of 2 November 2016. The IØ fund owns the remaining 20 percent.

Dan-Farm Hungary Kft. has today 2,200 sows, and a yearly sale of approx. 70,000 piglets and approx. 5,000 slaughter pigs.

The due diligence process is now completed, and implementation of the agreement can commence.

The final purchase price after the due diligence process is agreed to DKK 9.4 million for 100% of the shares in Dan-Farm Holding A/S. The purchase price is paid with issuance of new shares in FirstFarms A/S, and the price determined in November 2016 is DKK 46.15 per FirstFarms share corresponding to the market price at the time of the agreement.

As part of the completion of the agreement, there will, as mentioned in company announcement no. 12/2016 of 2 November 2016, also be issued convertible bonds for DKK 13.3 million with termination in 2020, as the proceed shall be used for reimbursement of the shareholders in Dan-Farm Holding A/S' receivables in Dan-Farm Holding A/S. The conversion price of these bonds were also determined to 46.15. Further terms appear from the bond, which was published 2 November 2016.

The purchase of Dan-Farm Holding A/S is expected to influence FirstFarms' result positively with DKK 4-5 million before tax for 2017.

FirstFarms A/S' negotiations with AP Pension regarding land and buildings in Romania are still in progress in a positive dialogue, and it is expected that the final agreement can be ready before the end of first half year 2017.

Best regards,
FirstFarms A/S

For further information:

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