

These financial statements have been prepared as special purpose financial statements and include the following primary financial statements: the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity.

The primary purpose of these special purpose financial statements is to present the consolidated financial position and performance of the Group in accordance with the International Financial Reporting Standards (IFRS), following the Group's decision to also prepare and present the information under IFRS starting with 1<sup>st</sup> of January 2024.

DN AGRAR's presentation of the consolidated information under IFRS enhances comparability with EU listed agricultural and dairy companies and supports the Group's capital markets strategy. The adoption of IFRS presentation does not change the underlying economics or cash flows of the business.

Compared to the consolidated financial statements prepared under Romanian GAAP, the application of IFRS principles resulted in a positive net impact on the Group's equity of RON 4.7 million, with total equity increasing from RON 133.3 million under Romanian GAAP to RON 138.1 million under the IFRS framework, as at first of January 2024.

Regarding the structure of the Statement of Comprehensive Income, the Group has chosen the option to present expenses by function.

*“Under IFRS, the applicable measurement method depends on the specific standards applied. In DN AGRAR's case, the fair value approach is not optional but mandatory for the main components of the business.*

*The Group holds significant biological assets, which fall under IAS 41 Agriculture. This standard requires biological assets to be measured at fair value less estimated costs to sell, except in rare cases where fair value cannot be reliably determined. IAS 41 therefore has the most significant impact on the Group's financial statements and place a central role in DN AGRAR's core agricultural operations.*

*In addition, for property, plant and equipment such as land and buildings, accounted for under IAS 16, the Group also applies the fair value (revaluation) model, supported by an independent external revaluation process performed every three years. While IFRS allows certain standards to be applied using a historical cost model, this is not applicable to DN AGRAR's main asset base, given the nature of the assets and their significant impact on the financial statements.*

## DN AGRAR GROUP SA

Alba-Iulia, str. Piata Iuliu Maniu, nr. 1, bl. 31DE (imobil)

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*A key difference between Romanian GAAP and IFRS therefore lies in the measurement basis. While Romanian GAAP relies predominantly on historical cost, IFRS through standards such as IAS 41 and IAS 16 allows measurements of certain assets at fair value, reflecting current market conditions and the real economic value of assets. This results in a more accurate, transparent, and relevant representation of the Group's operations, particularly in an agricultural business exposed to dynamic commodity and livestock markets.” – Mihaela Nicula, CFO, DN AGRAR Group SA*



# DN AGRAR GROUP SA

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## 1. Statement of Comprehensive Income

<i>in RON</i>	9M January - September 2025	9M January - September 2024	Variance %
Sales of goods and services rendered	165,979,045	130,897,405	27%
Cost of goods sold and services rendered	(109,219,883)	(93,439,601)	17%
Initial recognition and changes in fair value less costs to sell of biological assets and agricultural produce	16,648,299	9,429,213	77%
Changes in the net realizable value of agricultural produce after harvest	-	-	0%
<b>Margin on production and agricultural activities before operating expenses</b>	<b>73,407,462</b>	<b>46,887,017</b>	<b>57%</b>
General and administrative expenses	(6,719,580)	(5,078,776)	32%
Selling expenses	(315,329)	(55,296)	470%
Other operating expenses	(1,669,332)	(2,011,441)	-17%
Other operating income	11,155,445	14,319,053	-22%
<b>Operational result</b>	<b>75,858,666</b>	<b>54,060,558</b>	<b>40%</b>
Financial income	1,417,166	672,500	111%
Financial expenses	(13,052,327)	(8,517,692)	53%
<b>Financial result</b>	<b>(11,635,161)</b>	<b>(7,845,192)</b>	<b>48%</b>
<b>Profit before tax</b>	<b>64,223,505</b>	<b>46,215,366</b>	<b>39%</b>
Income tax expense	(10,614,802)	(8,069,112)	32%
<b>Net result</b>	<b>53,608,703</b>	<b>38,146,255</b>	<b>41%</b>
<b>Other comprehensive income</b>	<b>101,190</b>	<b>(133,318)</b>	<b>-176%</b>
Revaluation reserve for tangible fixed assets net of tax	101,190	(133,318)	-176%
<b>Total comprehensive income</b>	<b>53,709,893</b>	<b>38,012,937</b>	<b>41%</b>

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As of September 30<sup>th</sup>, 2025, the net profit indicator increased from RON 42.9m under Romanian GAAP to RON 53.6m based on IFRS framework.

m. RON	30.09.2025 Transition
<b>NET PROFIT - ROMANIAN GAAP</b>	<b>42.9</b>
A. IAS 41 - Biological assets	9.7
B. IAS 41 - Government grants	2.5
C. IAS 12 - Deferred taxes	(1.7)
D. IAS 38 - Intangible assets	0.2
E. IFRS 9 - Expected Credit Loss	(0.2)
G. IFRS 16	(0.1)
F. Other consolidation adjustments	0.4
<b>NET PROFIT - IFRS</b>	<b>53.6</b>

## 2.Statement of Financial Position

### ASSETS

Non-current	As at 30.09.2025	As at 31.12.2024	As at 01.01.2024
Goodwill	4,079,914	4,079,914	4,079,914
Property, plant and equipment	240,731,120	203,510,113	171,815,204
Right-of-use assets	34,759,832	34,223,674	38,147,157
Intangible assets	849,589	1,841,500	2,478,238
Biological assets	118,723,948	95,707,031	62,449,249
Deferred tax assets	-	-	-
Trade and other receivables	-	-	-
Other assets	16,202,726	15,407,276	16,249,168
<b>Total non-current assets</b>	<b>415,347,129</b>	<b>354,769,509</b>	<b>295,218,930</b>
<b>Current</b>			
Biological assets	2,010,567	6,279,956	8,091,888
Inventories	41,702,508	28,102,883	26,836,096
Trade and other receivables	21,719,861	9,427,248	16,347,473
Current income tax	-	-	352,486
Cash and cash equivalents	1,512,756	7,612,926	1,756,690
<b>Total current assets</b>	<b>66,945,692</b>	<b>51,423,012</b>	<b>53,384,632</b>
<b>TOTAL ASSETS</b>	<b>482,292,821</b>	<b>406,192,521</b>	<b>348,603,563</b>

# DN AGRAR GROUP SA

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## EQUITY

### Capital and reserves attributable to equity holders of the parent company

Share capital	31,818,845	31,818,845	31,818,845
Share premium	734,004	734,004	734,004
Treasury shares	(65,280)	(65,280)	(265,281)
Other comprehensive income	33,931,226	33,830,036	33,514,187
Other reserves	989,448	1,024,747	573,349
Retained earnings	168,826,668	114,929,352	71,689,519
<b>TOTAL EQUITY</b>	<b>236,234,910</b>	<b>182,271,704</b>	<b>138,064,622</b>

## LIABILITIES

### Non-current

Trade and other payables	-	-	-
Loans - long-term portion	145,083,229	119,109,664	105,315,569
Lease liabilities - long-term portion	30,868,679	29,109,626	33,215,902
Deferred tax liabilities	9,302,425	7,915,962	6,434,662
Payroll and social security liabilities	-	-	-
Provisions for other liabilities and expenses	9,628	386,047	385,890
<b>Total non-current liabilities</b>	<b>185,263,961</b>	<b>156,521,298</b>	<b>145,352,023</b>

### Current

Trade payables and other payables	38,449,808	38,787,460	41,709,389
Current income tax liabilities	3,369,149	1,603,966	-
Payroll and social security liabilities	2,509,042	2,154,500	2,258,334
Loans - current portion	9,214,953	20,472,979	16,287,940
Lease liabilities - current portion	7,250,999	4,380,615	4,931,255
Provisions for other liabilities and expenses	-	-	-
<b>Total current liabilities</b>	<b>60,793,951</b>	<b>67,399,519</b>	<b>65,186,918</b>
<b>TOTAL LIABILITIES</b>	<b>246,057,912</b>	<b>223,920,817</b>	<b>210,538,941</b>

<b>TOTAL EQUITY and LIABILITIES</b>	<b>482,292,821</b>	<b>406,192,521</b>	<b>348,603,563</b>
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As of September 30<sup>th</sup>, 2025, shareholder's equity increased from RON 208.2m under Romanian GAAP to RON 236.2m based on IFRS framework.

m. RON	30.09.2025 Transition
<b>SHAREHOLDER'S EQUITY - ROMANIAN GAAP</b>	<b>208.2</b>
Impact from transition - 01.01.2024 and 31.12.2024	17.3
<b>A.</b> IAS 41 - Biological assets	9.7
<b>B.</b> IAS 41 - Government grants	2.5
<b>C.</b> IAS 12 - Deferred taxes	(1.7)
<b>D.</b> IAS 38 - Intangible assets	0.2
<b>E.</b> IFRS 9 - Expected Credit Loss	(0.2)
<b>G.</b> IFRS 16	(0.1)
<b>F.</b> Other consolidation adjustments	0.5
<b>SHAREHOLDER'S EQUITY - IFRS</b>	<b>236.2</b>

## 3.Statement of Changes in Equity

	Share capital	Treasury shares	Share premium	Other Reserves	Other comprehensive income	Retained earnings	Total equity
<b>Opening - 01.01.2024</b>	31,818,845	(265,281)	734,004	573,349	33,514,187	71,689,519	138,064,622
Profit of the year						44,268,529	44,268,529
Stock option plan settlement		200,001		(200,001)			-
Changes in subsidiaries and other interests				(16,232)		(372,619)	(388,851)
Profit distribution				704,421		(704,421)	-
Changes in other comprehensive income - fixed assets revaluation					315,850		315,850
Others changes				(36,790)		48,345	11,555
<b>Closing - 31.12.2024</b>	31,818,845	(65,280)	734,004	1,024,747	33,830,037	114,929,352	182,271,704
Profit of the year						53,608,703	53,608,703
Changes in other comprehensive income - fixed assets revaluation					101,190		101,190
Others changes				(35,300)		288,612	253,312
<b>At 30.09.2025 - IFRS</b>	31,818,845	(65,280)	734,004	989,447	33,931,226	168,826,667	236,234,909

The differences arising from the change in accounting framework are primarily attributable to the application of the following standards:

- **IAS 41 – Agriculture** – treatment of all biological assets, including cattle, crops and agricultural produce at the time of harvest (milk and agricultural production). Under IFRS, young animals are classified as fixed assets, while productive animals are no longer depreciated. All assets within the scope of IAS 41 are valued at fair value less costs to sell, resulting in valuation differences compared to Romanian GAAP.
- **IAS 41 – Agriculture** – treatment of Grants. Unconditional grants are recognized directly in the profit or loss account when they become due, while a conditional grant is recognized only when the related conditions are met. As such, this treatment results in a temporal difference in the recognition of government grants compared to Romanian GAAP.
- **IAS 12 – Income Tax** – which requires the recognition of deferred tax assets or liabilities for temporary differences between the book value and their corresponding tax bases.
- **IAS 38 – Intangible Assets** – which impacts the treatment of the formation expenses, which are not recognized as intangible assets and are therefore expensed as incurred under IFRS. Under Romanian GAAP, formation expenses are capitalized.
- **IFRS 9 – Recognition of expected credit losses** – requires that the Group recognizes provisions for trade receivables based on lifetime expected credit losses, and it did it by using a simplified approach that estimates the probability of non-collection for all receivables, rather than only recognizing losses when a default occurs.
- **IFRS 3 – Business combinations** – which impacts the allocation and calculations of goodwill and negative goodwill (badwill) values arising from the acquisition of the two farms Lacto Agrar (2021) and DN Agrar Apold (2022).
- **Other adjustments** – mainly related to the recognition of revaluation reserves in the Other Comprehensive Income (OCI), resulting from the valuation of land and buildings at fair value.
- **IFRS 16 – Leases** – generates impact by restatement of lease contracts and operational lease contracts. Under IFRS 16, during the lease term, the Group will record two separate expenses in the P&L: depreciation of the asset (as it is used) and interest on the lease liability (interest calculated on the payment obligation).

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These special purpose consolidated financial statements of the Group have been prepared in accordance with the provisions of the Order of the Ministry of Finance no. 2844/2016 for the approval of accounting regulations in accordance with International Financial Reporting Standards (“OMFP no. 2844/2016”).

According to OMFP no. 2844/2016, International Financial Reporting Standards are the standards adopted in accordance with the procedures of European Commission Regulation no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards (IFRS).

