

Alfalfa will be our export asset

August 1, 2021

Since buying PKB's assets, Al Dahra has modernized plants, machines and tools, improved production, has invested 50m euros, and will invest another 20m euros over the next three years.

The most modern alfalfa processing factory has been built, which will immediately employ 40 people, because Al Dahra, as a global player, has a secure market. Trial production is planned for September this year, while the factory should start operating at full capacity next year.

In less than three years, since the purchase of PKB, plants, machines and tools have been modernized, production has been improved and modernized. Everything is different..

At the beginning, I would just say that we, as AL Dahra, bought the property of PKB, and not PKB as a company. In a relatively short period of time, almost 50 million euros were invested in the renovation of equipment and machinery, as well as in the alfalfa processing plant. Namely, the machines that were purchased together with the rest of PKB's assets were in a rather bad condition and achieving efficiency through the application of new technologies was not possible with such equipment. We plan to invest an additional 20 million euros in the next three years in machines used in farming.

As for the alfalfa factory, the plan is to develop intensive and long-term cooperation with the farmers around us in order to additionally employ the factory so that it works in three shifts. In addition, we are committed to irrigation and drainage projects, as sustainable agricultural production is only possible if there are drainage and irrigation systems. Initial estimates suggest that our investment in these systems will amount to more than 75 million euros.

The investment in drainage and irrigation systems, an extremely complex and expensive project, will exceed 75m euros

There is also the third segment of our business, and that is milk production, where we also plan significant investments in the next year. In addition, we are considering the construction of a biogas plant.

Half a year ago, when you were appointed the new CEO, you presented very ambitious plans for the company. Do you still have that initial enthusiasm?

In principle, all investments are going according to plan. The alfalfa factory is the first to be put into operation and we are very proud of that. It was an extremely challenging project given the equipment coming from different countries. Despite everything, the factory starts working on time and we expect to export the first quantities this year. The entire production is intended for export.

We do not lack enthusiasm because every day we see the results of over a thousand people working in Al Dahra.

Thus, today, for the first time in 30 years, the citizens of Vrbovsko can open their windows and breathe air that does not have an unpleasant smell. We have treated the canals so that now there are no more unpleasant odors and that, and more importantly, life has returned to them. We have cleared a large landfill that was located in one of our fields, and we are currently planning to clean another one. We will not stop there. We are planning more actions.

You are focused on investing in a new alfalfa factory, a feed factory and the modernization of dairy farms. How much will that increase your returns and income?

Through field-related investments, we plan to raise crop yields by 10% to 50%, depending on the crop, which will allow us to make a profit that is acceptable to a company of this size. Our idea is to turn a company of a heavy loser, whose successors we are in a way, a profitable and sustainable company.

