

Consumer eggs produced by Agroland will enter the shelves of Mega Image

Timisoara, June 8, 2022 - Agroland Business System (BVB: AG), the Romanian retail, agriculture, and food business group, which owns the largest network of agricultural stores in Romania, announces the signing of a partnership with the Mega Image retailer for the delivery of consumer eggs in the network stores in Bucharest. The partnership signed with Mega Image is the second one concluded by the company with an international retailer with a presence in Romania.

"We are thrilled about this partnership with Mega Image, which further proves that Agroland's poultry business line is perfectly positioned to serve the local market and continue its development. Our target is for the eggs produced in Avicola Mihăilești to reach the shelves of all supermarket chains nationwide. We estimate that there will be a shortage of eggs for consumption in the next two to three years, so we want to take advantage of this opportunity and increase the number of clients and the quantities of eggs delivered to the market. Our goal is to increase production capacity to over 200,000 laying hens by the end of the year, generating an estimated monthly production of five million consumer eggs, over 160,000 eggs per day," stated Horia Cardoș, founder and CEO of Agroland Business System.

In the first quarter of the year, Agroland recorded consolidated revenues of 66.8 million lei, an increase of 21% compared to the same period last year, and a net profit of 1.6 million lei, an appreciation of 31% compared to the first quarter of 2021. In the first three months of the year, Agroland's consumer egg sales increased by 51%, reaching 3.4 million lei.

The performance in Q1 2022 and the food crisis manifested during this period contribute to the business's growth during 2022. For Agroland, which has a concept based on a circular economy and non-genetically modified eggs, there is a significant potential for growth in the local market due to the growing demand from local consumers for quality eggs produced locally, a need that translates to large retail chains. In order to benefit from this growth potential, Agroland will invest in 2022 approximately 800,000 euros own funds to increase the production capacity. Following this process, the company will position itself in the top 3-5 consumer egg producers in Romania.

Agroland targets revenues of 12.5 million lei from the sale of consumer eggs in 2022, a 30% increase compared to 2021, and a 60% increase in sales of day-old chicks produced in the Mihăilești platform, which is estimated that they will reach 10 million lei this year. At a consolidated level, which also includes the performance of the Agroland MEGA and Agroland Traditional stores and the input division of Agroland Agribusiness, the Group aims for sales of 241.2 million lei, EBITDA of 20.7 million lei, and a net profit of 13.1 million lei in 2022.

Agroland Business System is listed on the AeRO market of the Bucharest Stock Exchange as of March 1, 2021, and is traded under the symbol AG. Currently, the company has a market capitalization of over 165 million lei.

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About Agroland Business System

Agroland Business System (BVB: AG) is a Romanian entrepreneurial company, which owns the largest network of agricultural stores in Romania. The company was founded in 2009 in Timișoara by the entrepreneur Horia Cardoș and today operates a network of over 250 stores specializing in the sale of the garden, farm, and pet products. The company also owns the Avicola Mihăilești platform, where it produces table eggs and one-day-old chicks. This platform consists of six farms located on an area of 30 hectares in Giurgiu County. Agroland is also active in the technology area through AgTech TM by Agroland, the first complete incubation program in Romania that stimulates and supports innovation in agriculture. The shares of Agroland Business System have been floating on the AeRO market of the Bucharest Stock Exchange since 1 March 2021 under the symbol AG.
