

## Agroland Business System targets consolidated net sales of 329.7 million lei and a net profit of 11.1 million lei in 2023

**Timisoara, March 30, 2023** – Agroland Business System (BVB: AG), a Romanian entrepreneurial retail, agriculture, and food group, which owns the largest network of agricultural stores in Romania, targets for 2023, at the consolidated level, net sales of 329.7 million lei, a 17% increase compared to the result achieved in 2022, and a net profit of 11.1 million lei, a 237% growth compared to the previous year.

*"After a challenging 2022 for our company, we expect 2023 to be a year of stabilization. Despite increased expenses and pressure on product margins, in 2022, we made several investments across all business lines to strengthen our integrated business model and rebalance the revenue structure for the year. These projects, including the feed factories in Caransebes and Isalnita, the capacity increase at Avicola Mihalesti, as well as the liquid egg production also at Mihalesti, which have been operationalized in the first part of 2023, will generate significant revenues, which will have a significant impact on margins. We have no major investments budgeted for this year, but, as in the past, we will take advantage of every opportunity that arises to generate added value for Agroland's customers and investors. In terms of revenues and expenses for 2023, our projections are prudent and aim at mitigating price increases to provide more predictability during this year,"* stated Horia Cardos, founder and CEO of Agroland Business System.

For this year, Agroland Business System aims to expand the Agroland store network. Thus, the company plans to open four new MEGA stores this year, which will generate a 50% increase in turnover compared to that achieved in 2022, when it reached its target of doubling the turnover of MEGA stores compared to 2021. The company also plans to open another 10 new traditional Agroland stores.

As for Agroland Agribusiness, the subsidiary of Agroland Business System specializing in the sale of agricultural inputs, it targets net sales of 81.8 million lei for 2023, up 29% compared to 2022, and a net profit of 3.2 million lei, +36% compared to the previous year.

*"Last year was for us a year of taking things to the next level through organic growth and diversification of traditional revenue streams, all despite a challenging environment in which we managed situations we had never faced before. For 2023, we aim to maintain the upward trend in our results by further developing our product line to offer customers quality alternatives to the options already on the market to increase loyalty. We also intend to expand our Sales and Trading teams by attracting professionals to develop the company further. We remain committed to our principles of providing customers with advice across all lines of business so that we can provide them with quality products at competitive prices,"* stated Florin Radu, CEO of Agroland Agribusiness.

Agroland Business System posted consolidated revenues of 305.1 million lei in 2022, a 31% increase compared to 2021, and a net profit of 3.3 million lei, a decrease of 62% compared to the previous year. At the level of Agroland Agribusiness, operating revenues amounted to 63.5 million lei in 2022, up 97%, while net profit was 2.3 million lei, a 4% increase compared to 2021.

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, having a market capitalization of 102 million lei. In addition, Agroland Agribusiness shares are listed on the AeRO market of the Bucharest Stock Exchange as of June 15, 2021, and are traded under the symbol AAB. Currently, the company has a market capitalization of 30 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 approximately 250 stores specializing in the sale of garden, farm, and pet products. The company also owns the Avicola Mihailești platform, where it produces table eggs and 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.*

### **About Agroland Agribusiness**

*Agroland Agribusiness is a Romanian entrepreneurial company specializing in the sale of inputs for agriculture. The company is currently operating in the southern part of the country, respectively in the counties of Dolj, Olt, Mehedinți, Argeș, Teleorman, Vâlcea, Gorj, Dâmbovița, Ilfov, Ialomița, Călărași, Tulcea, Brăila and Constanța. The main agricultural inputs sold by Agroland Agribusiness are fertilizers, pesticides, seeds, and fuels, so the company sells the entire set of inputs needed by farmers. Secondly, Agroland Agribusiness is also involved in grain trading. It purchases grain from farmers and capitalizes it on large traders who operate only at fixed points or only in ports. Thus, Agroland Agribusiness operates as a supplier for farmers through the inputs it sells and as a potential buyer of farmers' crops. Agroland Agribusiness shares are listed on the AeRO market of the Bucharest Stock Exchange as of June 15, 2021, under the symbol AAB.*

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