

Agroland opens two new MEGA stores and expands its network to 23 units nationwide

Timisoara, March 31, 2023 – Agroland Business System (BVB: AG), a Romanian entrepreneurial retail, agriculture, and food group, which owns the largest network of agricultural stores in Romania, announces the expansion of the Agroland MEGA network to 23 units nationwide through the opening of two new stores, located in Ianca, Braila county, and Câmpulung, Arges county.

"The Agroland MEGA concept was created to meet the increasing customer demand, both in terms of volume and diversification of the product range, with stores close to them. MEGA stores meet the needs of traditional customers, such as small farmers, but also those of a new segment of customers who are hobby farmers and owners of pets. The franchise partners made investments in the two Agroland MEGA stores, amounting to almost 500,000 euros, confirming their trust in our business model. Although the retail segment is feeling the pressure of increased inflation, which is causing customers to behave more cautiously, the results we recorded last year show that sales volumes have increased, proving the need for our products. We expect that this year more of the Agroland MEGA stores opened in previous years will reach maturity so that they will generate a 50% higher turnover compared to 2022," stated Horia Cardos, founder and CEO of Agroland Business System.

The new Agroland MEGA Ianca store is the second MEGA unit in Braila county and required an investment of 400,000 euros, which included the land, construction, and fittings, excluding the stock of goods. It covers an area of approximately 420 square meters, with a range of over 3,000 products, and will include a veterinary pharmacy and a phytopharmacy. Agroland's management expects sales of more than 800,000 euros in 2024 and an average daily traffic of around 200 people.

Agroland MEGA Câmpulung is the first MEGA store in Argeș county and involves an investment of 80,000 euros, not including the stock of goods. The store has an area of about 300 sqm, with a range of over 2,000 products, and will include a phytopharmacy. The company's management estimates sales of more than 600,000 euros for the store in 2024, with an average daily traffic of around 200 people.

For 2023, Agroland Business System aims to further develop the Agroland store network. Thus, the company plans to open two new MEGA stores and 10 new traditional Agroland stores this year.

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. 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 approximately 105 million lei.

###

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 Cardos 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 Mihailesti 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.
