

Agroland expands its network of MEGA stores to 24 units following an investment of 650,000 lei

Timisoara, December 15, 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 24 units nationwide through the opening of a new store located in Dumbravita, Timis county.

"Our integrated seed-to-shelf business model involves complementary investments in the production and retail segments. Given the opportunities that have arisen in the market over the past year, we have mainly focused on developing and diversifying production capacity across different verticals, with the aim of reducing the seasonality of the company's revenues. However, the Agroland store network remains for us an anchor and point of sale for most of the products manufactured in Agroland Business System's owned factories, thus the need for an expanded geographic footprint to accommodate this growing volume. Additionally, products manufactured in our factories that are sold in Agroland stores generate much-improved margins, with greater control over pricing, which is a major advantage during the current period of uncertainty. In line with our vision, we have also commenced the production of pet food in a factory located in Covasna County, with strong plans for expanding this range in the coming period," stated Horia Cardos, founder and CEO of Agroland Business System.

The new MEGA Dumbrăvița store is the fifth MEGA unit opened this year, being the second store near Timișoara, after MEGA Moșnița. The investment in MEGA Dumbrăvița amounted to 650,000 lei, which does not include the stock of goods. Covering an area of over 200 square meters, the store offers a range of over 3,000 products. The company's management estimates sales of over 3.5 million lei for the store in 2024, with an average daily traffic of around 250 people.

Agroland Business System posted, at consolidated level, operating revenues of 250.2 million lei level in the first nine months of 2023, down 2% compared to the same period in 2022, and a net profit of 4.9 million lei, a 38% increase compared to the comparable period last 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.

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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 230 stores specializing in the sale of garden, farm, and pet products. The company also owns the Avicola Mihalești 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.
