

Agroland Business System posts revenues of 74.5 million lei and operating profit of 5 million lei in the first quarter of 2024

Timisoara, May 31, 2024 – Agroland Business System (BVB: AG), the Romanian entrepreneurial retail, agriculture, and food group that owns the largest network of agricultural stores in Romania, posts, at the consolidated level, operating revenue of 74.5 million lei in the first quarter of 2024, a 7% increase compared to the same period last year. Operating profit amounted to 5 million lei, a 29% increase over Q1 2023, while net profit was 2.2 million lei, a 62% rise.

"The first quarter of 2024 was a solid start to the year for our business, which provides positive premises for the rest of the year. The 7% increase in turnover and 43% increase in EBITDA is further confirmation of the effectiveness of our business model, all the more so as the first three months of this year have been marked by challenges for some of the market segments in which we operate, such as hobby farming and agricultural inputs. The performance of this period is due to the investments made in recent years, which have increased the size of the business and the degree of complexity of our group, but also improved the profit margins achieved, making up an integrated supply chain. An example of our group's development is the steady increase in turnover - the value we were recording three years ago is now achieved in the first 4-5 months of the year," stated Horia Cardos, founder and CEO of Agroland Business System.

In the first three months of 2024, Agroland Business System registered a turnover of 75.5 million lei, a 7% increase compared to Q1 2023. The input division, which represents the performance recorded by Agroland Agribusiness, contributed 21.4 million lei to the consolidated turnover, down 2% compared to the same period last year. This decrease was driven by a 25% average decrease in fertilizer prices compared to 2023, which Agroland Agribusiness was able to offset by higher volumes sold. Sales of feed and concentrates amounted to 17.9 million lei, a 12% increase, amid higher volumes, influenced also by increased feed production in the Caransebes and Isalnita plants.

Sales of day-old chickens continue their positive evolution, with a 38% increase to 14.7 million lei. Sales of food products, which represent the sale of eggs for consumption, also increased by 56% to 10.8 million lei, reflecting increased production capacity at Mihailesti.

"Business line integration will be a priority for us in 2024. In the coming period, we will authorize the first Agroland MEGA store, located in Bucharest, which will be able to sell, in a designated space, traditional and organic food products. Our investment strategy will continue to be exclusively focused on Romania as we are aware of the huge potential of the local market in the segments in which we operate. We are working on the launch of new niche products, complementary to our current production, that will differentiate us from the competition, so that we can become the most important local producer in those categories," added Horia Cardos.

For 2024, the company is targeting, at the consolidated level, net sales of 344.6 million lei, a 23% increase on the result posted in 2023, an operating profit of 22.1 million lei, a 98% increase on the previous year, and a net profit of 12.5 million lei, +164%.

Agroland Business System is listed on the AeRO market of the Bucharest Stock Exchange as of March 1, 2021, and trades under the symbol AG. At the end of the first quarter of 2024, Agroland Group operated 229 stores, of which 24 were MEGA stores.

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About Agroland Business System

Agroland Business System (BVB: AG) is a Romanian entrepreneurial company owning Romania's largest network of agricultural stores. The company was founded in 2009 in Timișoara by entrepreneur Horia Cardos and today operates a network of 230 specialized stores selling



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products for the garden, farm, and pets. Also, the company owns the Mihăilești Avicola platform, which produces consumer eggs and day-old chicks. This platform comprises six farms spread over 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 listed on the AeRO market of the Bucharest Stock Exchange since March 1, 2021, under the symbol AG.
