

Grup Serban Holding acquires a farm in Vaslui county and reaches an operated farmland of over 13,000 hectares

Grup Serban Holding (BVB: GSH), a Romanian entrepreneurial company active in several areas of agriculture, continues its strategy of expanding and consolidating its position by acquiring a new farm in Vaslui county. The transaction includes the complete takeover of Fyn Invest Danmark, which operates approximately 800 hectares of land, both owned and leased. As a result of this transaction, Grup Serban Holding will operate about 13,300 hectares of farmland, focusing on large crops produced in a regenerative agriculture system. The value of the transaction amounts to 1.5 million euros.

"This acquisition is part of Grup Serban Holding's long-term strategy to consolidate its position among the significant players in the agricultural market in Romania. In every transaction we make, we aim to, in addition to expanding operations, and extensive development, transfer our knowledge of farm organization, and at the level of technology and implementation of regenerative practices, to transfer the know-how to continue the development of our business as a sustainable development in harmony with the environment and society. We are confident that the new farm in Vaslui County will allow us to increase production and efficiency and will open up new opportunities to diversify our activity," stated **Nicolae Serban**, *Chairman of the Board of Directors of Grup Serban Holding*.

The new farm includes comprehensive and suitable storage and logistics spaces in addition to the farmland. The farmland is cultivated with wheat from the fall season of 2022 on about 370 hectares, and spring crops, such as sunflower and sorghum, are cultivated in the rest of the area. With this acquisition, the company's specialists estimate a total increase in production for Grup Serban Holding by approximately 10%, considering both the extensive component and the intensive factors generated by the quality of the operated land and the synergies achieved.

Grup Serban Holding practices regenerative agriculture using no-till technology, a fundamental characteristic of sustainable agriculture. The long-term benefits of this technology include reducing fuel costs and working time by up to 50%, increasing production by up to 10%, preserving soil quality, retaining water in the soil, and reducing greenhouse gas emissions through aerobic decomposition of the biological material.

In 2023, the company allocated a budget of approximately 100 million lei for investments in expanding operated and irrigated areas and their consolidation, as well as entering new business segments. An example is the purchase and development of an Angus beef cattle farm. This represents a market with a high development potential for the coming years. The company is also considering entering the free-range chicken eggs market, considering that most eggs in Romania come from chickens raised in batteries or aviaries.

This year, Grup Serban Holding also aims to invest in the construction of cold storage facilities with a storage capacity of approximately 15,000 tons. To support the investment plan, the company uses traditional sources of financing, such as European funds, own funds, and bank loans, but also considers raising funds through capital market mechanisms.

In 2022, Grup Serban Holding recorded a consolidated turnover of 534.4 million lei, an 11% increase compared to 2021, EBITDA of 67.9 million lei, +27% and a net profit of 33.8 million lei, a 10% appreciation compared to 2021. The shares of Grup Serban Holding are listed on the AeRO market of the Bucharest Stock Exchange as of February 28, 2022, and are traded under the symbol GSH. Currently, the company has a market capitalization of approximately 285 million lei.