

PRESS RELEASE

Aquila aims to double EBITDA in 5 years through organic evolution and acquisitions.

The company aims to acquire top brand manufacturers, complementary to the current portfolio, and possible synergies at the distribution level

Ploiesti, October 6, 2022 – Aquila, one of the leaders of the consumer goods distribution market, aims to double EBITDA in the next five years, both through organic growth, as well as the acquisition of companies with a high level of the indicator, the company officials announced at the Wood & Company Frontier Investor Days Conference.

“We have a history of consistent growth in business, with an average annual revenue growth rate of 26% over the last 3 years. In addition, we see an increase in EBITDA of 2.6 times in 2021, compared to 2018, both through organic evolution and through acquisitions. Doubling EBITDA over the next 5 years is an essential objective of our strategy, as we aim to further grow and optimize our business, both through organic growth and through acquisitions – there, the EBITDA target is higher than our current average. Improving margins is one of the important directions in our strategy, along with organic growth and through acquisitions, while keeping the focus on developing our own brands. We are actively focusing on maximizing exposure in channels with higher growth rates, with better margins, such as HoReCa and gas Station,” says **Jean Dumitrescu, investor relations Director, Aquila.**

The company’s representatives consider the acquisition of leading brand manufacturers in the segment in which it operates, complementary to the current portfolio of products sold, and analyze possible synergies across the distribution chain.

Balance between own brands and the sale of established brands

As for our existing brands in our portfolio, such as Gradena or LaMasa, we focus on increasing the product range and presence in store shelves and in HoReCa.

“We are looking to keep a constant balance between price and volume increases, respectively to focus on the accessibility of our products for customers, especially in the current context of price evolution, at a global level,” **Dumitrescu** adds.

The products sold by Aquila represent established brands, from different categories: Personal care products - Rexona, Dove; Sweets - Kinder, Rafaelo, Snickers or Mars; Coffee – Lavazza; cleaning products – Dero, CIF or Cocolino; or pet food – Whiskas or Pedigre.

Focus on digitalization and automation

Currently, Aquila systems are migrating to Microsoft dynamics 365, based on previous positive experiences with Microsoft ERP solutions, the possibilities of customizing business-specific solutions, and connecting with other specialized software.

Logistics activities are also planned and monitored with the help of specialized management software – warehouse Management System, which allows for continuous efficiencies and improvements in input, storage and order preparation flows, as well as value-added services such as promotional packaging or labeling.

The company also uses innovative solutions, such as the Pick-by-light system – color-based order preparation, which have enabled productivity optimization and which will be extended, in the short and medium term, to other warehouses with high volumes.

Aquila announced its new targets at the wood & Company frontier investor days conference. The development of own brands is one of the strategic directions of development announced by the company, along with the M&A area, organic growth and optimization of operations, with an increased focus on the digitalization component.

About Aquila

Founded in 1994 and with a team of approximately 3.000 employees, Aquila is one of the leaders of the consumer goods distribution market in Romania, also operating successfully in the Republic of Moldova. Aquila offers its partners integrated distribution and logistics solutions by selling complementary products and services. The group's revenues increased by 13%, reaching RON 1.930 million at the end of 2021. Aquila registered a net profit of RON 71 million on December 31, 2021, up by 30% compared to 2020. More information is available at www.aquila.ro.

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