

Ekotechnika AG reports positive operating performance for FY 2019/2020

- **Group revenues climb to EUR 193.8 million (previous year: EUR 160.3 million)**
- **Noticeable increase in sales of new machines due to new sales territories**
- **Depreciation of the ruble has strong impact on earnings**
- **Operating result (EBIT) at EUR 5.6 million (previous year: EUR 11.3 million)**
- **Smart Farming segment to be further expanded in 2021**

Walldorf, 18 January 2021 – Ekotechnika AG (Primary Market; ISIN: DE000A161234), the German holding company of the largest dealer of international agricultural machinery in Russia, increased its revenues by 21% to EUR 193.8 million (previous year: EUR 160.3 million) in the financial year 2019/2020 (30 September). In this context, the new John Deere sales territories led to a strong increase in the number of new machines sold. In the tractor segment, 245 machines were sold in the past financial year (previous year: 206), while sales of combines and forage harvesters even climbed from 62 to 117 machines. Consequently, revenues in the New Machinery segment increased to EUR 125.3 million in FY 2019/2020 (previous year: EUR 108.7 million). This represents 65% of total revenues (previous year: 68%).

Revenues in the Spare Parts segment also rose sharply from EUR 46.0 million in FY 2018/2019 to EUR 57.4 million in the reporting period (30% of total revenues). The Service segment generated revenues of EUR 4.5 million (previous year: EUR 3.8 million). Revenues in the Smart Farming segment climbed from EUR 0.9 million to EUR 1.3 million.

Gross profit increased by close to one third from the previous year's EUR 27.8 million to EUR 36.8 million. However, due to significant exchange rate effects resulting from the strong depreciation of the ruble in the course of the financial year, the operating result (EBIT) of EUR 5.6 million was clearly below the previous year's level (EUR 11.3 million). For the same reason, consolidated net profit also dropped sharply to EUR 1.7 million (previous year: EUR 7.0 million).

Group equity stood at EUR 27.6 million as of 30 September 2020, down by approx. 16% on the previous year's EUR 32.9 million (adjusted for the above-mentioned exchange rate effects: increase by approx. 11%). With total assets also reduced to EUR 123.9 million (30 September 2019: EUR 134.5 million), this is equivalent to an equity ratio of 22.3% (30 September 2019: 24.5%).

Stefan Dürr, CEO of Ekotechnika AG: "On balance, we are satisfied with our operating performance in the past financial year. We have made very good progress in building up our new John Deere sales territories in Siberia and north-west Russia. The lower operating profit in the past financial year is essentially attributable to unrealized exchange losses in the amount of roughly EUR 9.5 million. These should have a positive impact on earnings in the current financial year 2020/2021, as the selling prices of our agricultural machinery are based on the US dollar."

Bjoerne Drechsler, Member of the Executive Board of Ekotechnika AG: "The expansion of our sales territories will also have a clearly positive impact on our Smart Farming segment. Last year's installation of a dedicated Smart Farming Department represented an important step. We will place a clear focus on this growth segment going forward. In cooperation with our new partner, Cognitive Pilot, we will also push ahead with the development of a nationwide service network for smart farming equipment in Russia."

Ekotechnika maintains its policy of conservative planning also for the financial year 2020/2021 and projects revenues of between EUR 190 million and EUR 200 million and gross profit of approx. EUR 30 million to EUR 33 million. Earnings before interest and taxes (EBIT) are expected to come in at between EUR 7 million and EUR 10 million.

The full 2019/2020 consolidated financial statements are available on the website of Ekotechnika AG at <https://www.ekotechnika.de/en/investor-relations/financial-publications/>.

About Ekotechnika

Ekotechnika AG, Walldorf, is the German holding company of the EkoNiva-Technika Group, the largest distributor of agricultural machinery in Russia. The main partner and principal supplier is John Deere, the world's largest and market-leading manufacturer of agricultural machinery. Ekotechnika's main business lies in selling new equipment such as tractors and combines but also soil tillage machines. At the end of 2018, forestry machinery from Canadian manufacturer Tigercat was added to the portfolio. In addition, the company sells spare parts, provides service and maintenance and offers its customers smart farming technologies. Founder and Chairman of the Executive Board of Ekotechnika AG is Stefan Dürr, who has been active in the Russian farming sector since the late eighties and has been instrumental in its modernization over the past two decades. Operating 23 locations in five attractive Russian farming regions, Ekotechnika today employs around 730 people and generated sales revenues of around EUR 194 million in 2019/2020. The Ekotechnika stock is listed on the Primary Market of the Düsseldorf Stock Exchange (ISIN: DE000A161234) as well as on the Open Market of the Frankfurt Stock Exchange.

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