

Annual General Meeting of Ekotechnika AG: Agenda items approved by large majority of shareholders

- **AGM decides to retain unappropriated profit in the company**
- **Stable performance in first nine months of FY 2021/2022**
- **FY 2022/2023 will be much more affected by impact of the Russia-Ukraine conflict**

Walldorf, 29 July 2022 – Ekotechnika AG (primary market; ISIN: DE000A161234), the German holding company of the largest dealer of international agricultural machinery in Russia, today successfully held its 2022 Annual General Meeting. Apart from ratifying the acts of the members of the Executive Board and the Supervisory Board for the financial year 2020/2021, the shareholders approved the proposal to retain the unappropriated profit of approx. EUR 2.5 million in the company and to carry it forward in full to new account. The original profit appropriation proposal had provided for the company to pay out a minimum dividend for the first time. In view of the imponderables arising from the Russia-Ukraine conflict, the Executive Board and the Supervisory Board decided, however, to submit an amended profit appropriation proposal to the shareholders. The resolution now adopted by the shareholders will help to strengthen the company's liquidity position.

Agenda item 5 regarding the election of the auditor of the consolidated financial statements was canceled during the meeting. Due to the impact of the Russia-Ukraine conflict, the structure of all major international auditing companies has fundamentally changed. For this reason, the company has not yet been able to recruit an auditor. The Supervisory Board is in constructive talks with possible candidates. As soon as a suitable auditor has been found, the company will convene a virtual extraordinary shareholders' meeting for the appointment.

On the occasion of today's Annual General Meeting, the Executive Board also reported on the company's performance in the first nine months of the current financial year. In spite of the challenging environment, sales revenues decreased only slightly from EUR 186.8 million in the prior year period to EUR 183.0 million. This development was driven by growth in the spare parts and service segment, whereas sales of new machines declined (9M 2021/2022: 260 tractors and 28 combines; 9M 2020/2021: 329 tractors and 62 combines). Ekotechnika AG's earnings before interest and taxes (EBIT) increased by a substantial EUR 31.0 million

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in the first nine months of 2021/2022 – up 81.4% on the same period of the previous year (EUR 17.1 million).

Bjoerne Drechsler, member of the Executive Board of Ekotechnika AG: “We have been able so far to offset the effects of the Russia-Ukraine conflict, especially the voluntary supply freezes by our main suppliers, by existing stocks of new machines, the stable spare parts business and a substantially increased gross profit margin. For the next financial year 2022/2023, however, we expect the currently very difficult environment and the general uncertainties to have a stronger impact on our business activity. The volatility of the ruble might also have an adverse effect on our company’s activities.”

The Executive Board projects a noticeable decline in sales revenues for the next financial year. If the supply freezes continue, revenues from the sale of new machines are likely to drop particularly sharply. Management is currently analyzing various options to compensate for the supply freezes by its main partners at least with a view to spare parts business, which is very important for the Group's profitability, so that a largely stable development is expected in this segment in the financial year 2022/2023.

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. 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 decades. Operating 25 locations in five attractive Russian farming regions, Ekotechnika today employs around 760 people and generated sales revenues of around EUR 244 million in 2020/21. 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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