

Ekotechnika AG significantly improves result in financial year 2021/2022

- **Group revenue slightly below previous year's level at EUR 237.5 million**
- **Operating result (EBIT) increases to EUR 35.9 million (previous year: EUR 21.3 million)**
- **Business development impacted by delivery stop of Ekotechnika's main suppliers**
- **Establishing relationships with alternative suppliers**
- **Outlook: Stable development expected under volatile macroeconomic and geopolitical conditions**

Walldorf, 15 February 2023 – Ekotechnika AG (primary market; ISIN: DE000A161234), the German holding company of one of the largest dealers of international agricultural machinery in Russia, has significantly improved its result in the 2021/2022 financial year despite challenging general conditions. With consolidated revenue slightly below the previous year's level at EUR 237.5 million (previous year: EUR 243.6 million), operating profit (EBIT) rose by 68% to EUR 35.9 million (previous year: EUR 21.3 million). This was mainly due to the significant increase in gross profit (sales less purchase costs of agricultural machinery, equipment and spare parts sold). At EUR 68.6 million, it was significantly higher than in the previous year (EUR 43.7 million); the gross profit margin rose from 17.9% in the previous year to 28.9%.

Revenues from the sale of agricultural machinery amounted to EUR 129.7 million, a 54.6% share of total revenue (previous year: EUR 165.7 million or 68%). The decline in turnover in this business segment resulted from lower sales of tractors, combine harvesters and forage harvesters in the reporting period due to the delivery stoppages of the Group's main suppliers. During the financial year, however, the management succeeded in establishing supply relationships with numerous alternative producers – mainly from China, India, Russia and Turkey. In total, Ekotechnika AG sold 283 tractors and 38 combine harvesters and forage harvesters in the past financial year. In the previous year, the figure was 403 tractors and 109 combine harvesters and forage harvesters.

The share of the spare parts business in total turnover increased significantly to 38% (previous year: approx. 24%), and the corresponding revenue rose by almost 53% to EUR 89.6 million (previous year: EUR 58.6 million). Thereby, the demand for original spare parts

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of the brands that had left Russia in 2022 increased significantly. In addition, price increases and the intensification of relationships with key customers were the triggers for the revenue increase in this area. Revenue in the services business area also increased significantly in the 2021/2022 financial year to EUR 7.8 million (previous year: EUR 4.9 million). In contrast, sales of smart farming solutions fell to EUR 1.9 million in the reporting period (previous year: EUR 2.8 million).

Due to the increase in the operating result (EBIT), the consolidated result also rose to EUR 26.4 million (previous year: EUR 14.2 million). The positive development despite the effects of the Russia-Ukraine conflict is due to the large stocks of new machines still available at the beginning of the delivery stop, the stable spare parts business and the substantially increased gross profit margins. Currency effects also had a positive impact of EUR 4.0 million.

Group equity amounted to EUR 104.2 million as of 30 September 2022, approximately 132% higher than the value as of 30 September 2021 of EUR 44.8 million (adjusted for exchange rate effects: increase of 51%). This was due to a significant change in the currency translation reserve of EUR 33.0 million caused by high volatility in exchange rates, which was negative at EUR 21.3 million as of 30 September 2021 and changed to positive at EUR 11.7 million as of 30 September 2022. With a likewise increased balance sheet total of EUR 202.7 million (30 September 2021: EUR 146.3 million), this results in a significantly improved Group equity ratio of 51.4% (30 September 2021: 30.6%).

Stefan Dürr, CEO of Ekotechnika AG: "Despite the major unexpected challenges and the continuing geopolitical uncertainties, our company developed solidly in the past financial year. We have established supplier relationships with alternative manufacturers and expanded our machine portfolio to include construction machinery. We will continue to do our best to steer Ekotechnika AG flexibly through the rapidly changing conditions."

For the 2022/23 financial year, Ekotechnika AG anticipates a predominantly stable supply of spare parts for the existing machinery. Risks continue to arise here due to the difficult supply chain situation worldwide. In the spare parts sector, the withdrawal of some major manufacturers is creating further opportunities. In particular, the company sees great potential in the area of alternative spare parts, also from Russian production. For the 2022/2023 business year, the management expects a revenue of EUR 230 million and an EBIT of EUR 24 million. The further development of the Russian rouble remains a major uncertainty.

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Ekotechnika AG will publish the complete consolidated financial statements 2021/2022 on its website at <https://www.ekotechnika.de/en/investor-relations/financial-publications/> on 17 February 2023.

About Ekotechnika

Ekotechnika AG, Walldorf, is the German holding company of the EkoNiva-Technika Group, one of the largest distributors of agricultural machinery in Russia. 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 27 locations in five attractive Russian farming regions, Ekotechnika today employs around 800 people and generated sales revenues of around EUR 238 million in 2021/22. 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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