

**15** years  
together



**AB EAST WEST AGRO**  
**INTERIM RESULTS FOR**  
**6 MONTHS OF 2021**  
(unaudited)

### Review of the first half of 2021

The favorable natural conditions in 2020 led to a significant jump in the quantity and quality of the harvest. The rapeseed and wheat harvest yield was one of the highest in the country's history. Average purchase prices have been high throughout the year and still maintain the upward trend. The good harvest of 2020 and the improved financial indicators of farms are also directly felt in the machinery market - farmers are more confident in making decisions to renew the farm machinery fleet, which has not received the required amount of investment in the last few years.

Higher output prices (and therefore more profitable farm operations) and delayed investments are creating higher demand worldwide, but at the same time the global supply chain for raw materials and components disrupted by the pandemic poses significant challenges for machinery manufacturers. As a result, company is facing a significant delay in the delivery of ordered goods, there is a restriction on the supply of equipment, which is unlikely to allow us to use the full sales potential in 2021. In an effort not to lose customers, company is already concluding contracts for machinery for the 2022 season.





EWA i5



**MASSEY FERGUSON EXPERIENCE  
TOUR IN LITHUANIA 06.29-07.02**



## COMMENT

### Agricultural machinery market



In the first half of this year, 393 new tractors were registered in Lithuania, which is 47% more than last year (268 units). The market share of EWA tractors increased to 16.5% during this period, resulting in 59% more new Massey Ferguson tractors registered (65 units) than in 2020 (41 units).

The 100th annually sold MF tractor left our yard earlier this year - on 20th of July. While the 100th tractor sold in 2019 was by the end of December, and in early November in 2020. This is also the 6th year in a row, or every year that we have represented Massey Ferguson tractors, that we have passed this milestone of 100 tractors sold.



In 6 months of 2021, farm operators had registered 77% more combine harvesters (62 units) than in 2020 during period (35 units). With the significant increase in the market, the number of Massey Ferguson combine harvesters registered was as much as 66% higher (15 units) than in 2020 (9 units).



At the beginning of July, after a 2-year break, EWA invited its customers back to a "live" machinery launch event "MF eXperience", organized in partnership with Massey Ferguson. During this event, the full range of MF machinery was demonstrated to farmers and the new tractor models 8S and 5S, as well as the MF TH telescopic handlers were presented.



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together



100-TH EWA SOLD  
TRACTOR IN 2021



### Outlook for 2021

The company's management maintains its budget for 2021 unchanged, with expected sales revenues of EUR 31.5 million. Profit before tax is expected to reach EUR 1.78 million and EBITDA will reach EUR 2.5 million.

In order to implement the 2020 March 16 option agreements and to maintain liquidity on the stock exchange, it is planned to continue repurchasing own shares through the official offering market of the AB Nasdaq Vilnius Stock Exchange. The company has established a reserve for the acquisition of its own shares, the purchase price and quantity of shares are determined by the Board.

On 16.07.2021, 800 units and on 06.08.2021, the remaining 700 units of the private placement bonds, issued on 2020.12.04 with maturity date 04.12.2022, were redeemed early. Each bond has a nominal value of EUR 1000. The company has no more issued bonds outstanding.

When preparing the draft annual profit distribution for the shareholders' meeting, the Board of the Company will strive to allocate at least 25% of the annual net profit to dividends, if the business environment and accounts payable allow it. In a favorable situation, a higher share of net annual profit is expected to be allocated to dividends in the future.

The main objectives in 2021 will be to further increase the sales of higher profitability products and services, and to strengthen the position in the markets of tractors and combine harvesters. Opportunities for geographical development in the region are also being explored in cooperation with key suppliers.

## KEY FINANCIAL INDICATORS

	2021.06.30	2020.06.30	Pokytis
Sales revenue, EUR million	16,88	10,10	+67%
Gross margin, EUR million	2,63	1,63	+61%
Total costs, EUR million	1,62	1,44	+13%
Profit (loss) before taxes, EUR million	0,94	0,056	+1.579%
EBITDA, EUR million	1,27	0,56	+121%
EBITDA, TTM, EUR million	3,36	1,35	+148%
Financial debt, EUR million	2,66	8,08	-67%
Number of employees	80	71	+13%
Number of new tractors registered	393	268	+47%
Number of MF tractors registered	65	41	+59%
Number of new harvesters registered	62	35	+77%
Number of MF harvesters registered	15	9	+67%



## KEY FINANCIAL INDICATORS, 6 months

Sales revenue, EUR million



EBITDA, EUR million



Gross margin, EUR million



Profit (loss) before taxes, EUR million

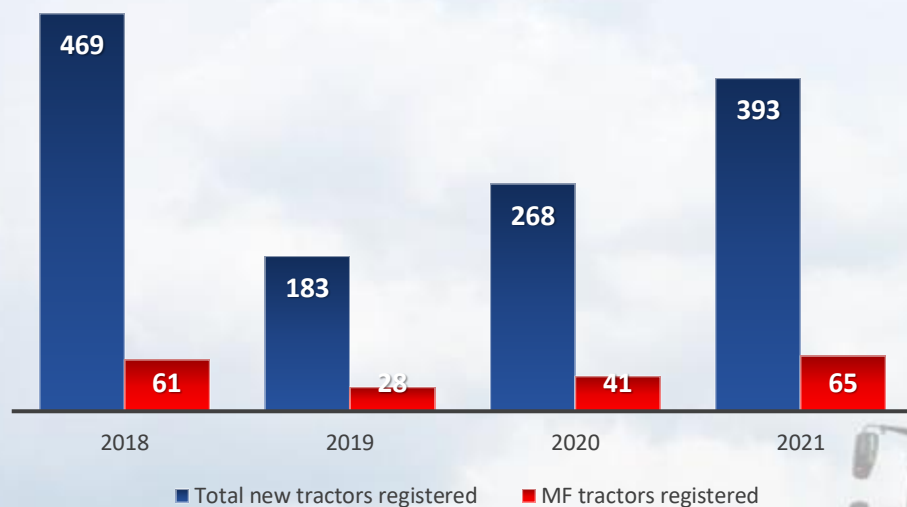




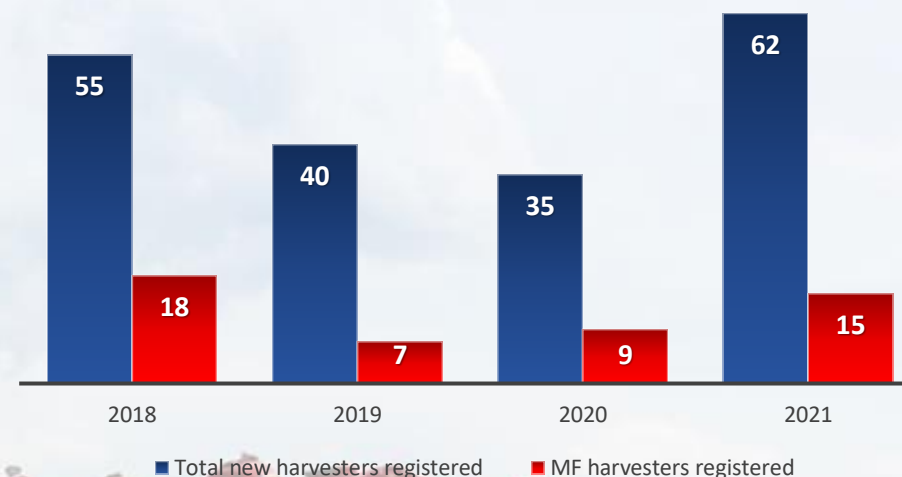
## AGRICULTURAL MACHINERY MARKET

	6 months of 2021	6 months of 2020	Change	2019.06	2018.06
Number of new tractors registered	393	268	+47 %	183	469
Number of MF tractors registered	65	41	+59 %	28	61
Number of new harvesters registered	62	35	+77 %	40	55
Number of MF harvesters registered	15	9	+67 %	7	18

New tractor market comparison  
6 months 2021-2018



New harvest market comparison  
6 months 2021-2018



## PROFIT (LOSS) STATEMENT

EUR thousands	2021.06.30	2020.06.30	2019.06.30
Sales revenue	16 882	10 076	7 155
Cost of sales	14 256	8 448	5 966
<b>GROSS PROFIT</b>	<b>2 626</b>	<b>1 628</b>	<b>1 189</b>
Cost of sales	40	38	61
General and administrative costs	1 576	1 400	1 856
<b>TOTAL COSTS</b>	<b>1 616</b>	<b>1 438</b>	<b>1 917</b>
<b>RESULTS FROM OPERATING ACTIVITIES</b>	<b>1 010</b>	<b>189</b>	<b>(728)</b>
<b>RESULTS OF OTHER ACTIVITIES</b>	<b>30</b>	<b>23</b>	<b>10</b>
Financial income	43	160	148
Financial costs	143	316	299
<b>RESULTS OF FINANCIAL ACTIVITIES</b>	<b>(100)</b>	<b>(156)</b>	<b>(151)</b>
<b>Profit (LOSS) BEFORE TAX</b>	<b>940</b>	<b>56</b>	<b>(869)</b>
Income tax	-	-	-
<b>NET PROFIT (LOSS)</b>	<b>940</b>	<b>56</b>	<b>(869)</b>
<b>EBITDA</b>	<b>1 270</b>	<b>575</b>	<b>(374)</b>





## BALANCE SHEET

<b>ASSETS</b> (EUR thousands)	<b>2021.06.30</b>	<b>2020.06.30</b>	<b>2019.06.30</b>
Intangible assets		4	13
Tangible assets	1 961	2 135	3 464
Financial assets	484	759	104
Other non-current assets	71	172	17
<b>NON-CURRENT ASSETS</b>	<b>2 516</b>	<b>3 070</b>	<b>3 598</b>
Inventories	8 770	10 149	13 158
Paid advance payments	421	440	198
Trade receivables	7 540	6 839	6 453
Other amounts receivable	313	897	1 064
Cash and cash equivalents	4 716	3	8
<b>CURRENT ASSETS</b>	<b>21 760</b>	<b>18 328</b>	<b>20 683</b>
<b>COSTS OF FUTURE PERIODS AND ACCUMULATED INCOME</b>	<b>193</b>	<b>170</b>	<b>232</b>
<b>TOTAL ASSETS</b>	<b>24 469</b>	<b>21 568</b>	<b>24 512</b>
<b>EQUITY AND LIABILITIES</b> (EUR thousands)	<b>2021.06.30</b>	<b>2020.06.30</b>	<b>2019.06.30</b>
Authorised (subscribed) or main capital	1 000	1 000	1 000
Share premium	2 875	2 875	2 875
Reserves	390	303	350
Retained profit (loss)	2 360	772	575
<b>EQUITY</b>	<b>6 625</b>	<b>4 950</b>	<b>4 800</b>
Debt liabilities	1 560	694	3 486
Payables to credit institutions	1 030	90	150
Other payables and long-term liabilities	2 748		
<b>NON-CURRENT LIABILITIES</b>	<b>5 338</b>	<b>784</b>	<b>3 636</b>
Debt liabilities	69	5 130	4 448
Received advance payments	275	200	858
Trade payables	8 711	5 722	9 153
Amounts payable on basis of bills of exchange and cheques	-	160	500
Liabilities related to employment	206	404	188
Other amounts payable and current liabilities	2 545	2 312	555
<b>CURRENT LIABILITIES</b>	<b>11 806</b>	<b>13 928</b>	<b>15 703</b>
<b>TOTAL LIABILITIES</b>	<b>17 144</b>	<b>14 712</b>	<b>19 339</b>
<b>ACCUMULATED COSTS AND INCOME OF FUTURE PERIODS</b>	<b>700</b>	<b>1 906</b>	<b>373</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>24 469</b>	<b>21 568</b>	<b>24 512</b>







## COMPANY PROFILE

East West Agro (EWA) is one of the major agricultural machinery and equipment sales companies in Lithuania. Main activities:

- Sales of new agricultural machinery
- Engineering and sales of grain storage equipment,
- Aftersales service, spare parts supply.

EWA represents a total of almost 20 international producers, which include globally recognized manufacturers of agricultural equipment such as Massy Ferguson, Sulky, Sky, Dal-bo and others.

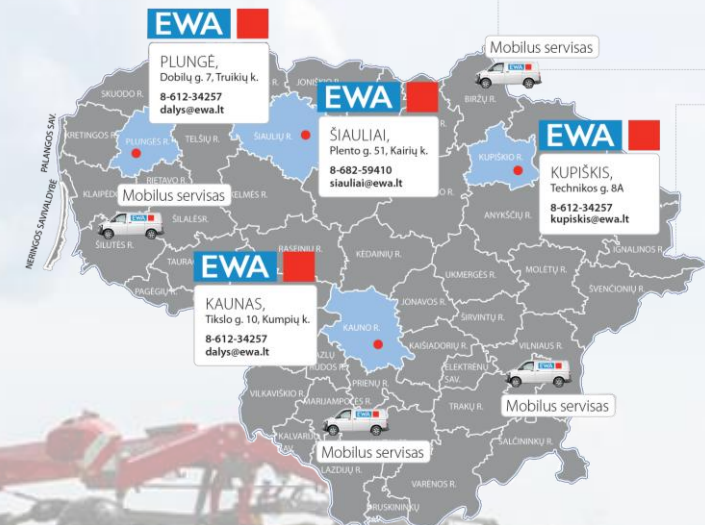
The company's main office is in the central part of Lithuania – Kaunas distr., Kumpiai village, near the Kaunas-Klaipėda highway. Here the company has its administration, aftersales service division and machinery maintenance center.

Company has three more machinery sales and service centers – at Šiauliai, Kupiškis and Plungė.

## MAIN SHAREHOLDERS

Shareholder	% of shares held
Danas Šidlauskas	39,91%
Gediminas Kvietkauskas	39,68%
Multi Asset Selection Fund	8,00%
Other minority shareholders*	12,41%

\* Company owns 13 434 of its own shares







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