

Activity results of 2018 III quarters

*unaudited

AB EAST WEST AGRO

EWA ■ MAIN FACTS DURING 9 MONTHS OF 2018

- Sales of spare parts grew by 44%, comparing 3 quarters of 2018 with same period last year. The fleet of field working machines, sold by company, is getting bigger every year, so in future it is expected to keep the similar growth.
- Sales of services grew 2,5 times, due to investments made in 2017 to service centers in regions of Šiauliai and Kupiškis.
- From beginning of the year company has offered a machinery rental services to customers. It is believed that in future this part of business will contribute a significant part of company's income.
- During months of April – August company paid a lot of attention and resources to demonstration of novelties and presentation of new products.

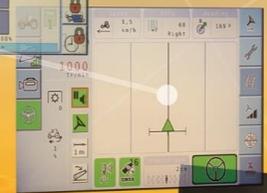
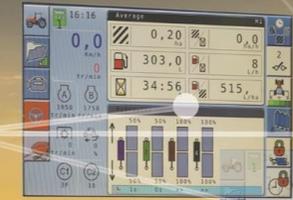
EWA

// DEMONSTRATION
of MF IDEAL COMBINE HARVESTER //



- In August of 2018 EWA presented the Massey Ferguson IDEAL combine harvester to the large farmers and farming companies. It will go on sale from 2019 and will enter a market of largest and high powered machinery.
- In February of 2018 EWA has signed an agreement of distribution with BEDNAR FMT, a producer of professional soil preparation machines, located in Czech Republic. This year the company is concentrating on demonstrations of machines and plans to begin sales in larger scale from next year.
- In January of 2018 company started cooperation with a professional milk farm machinery producer Euromilk, based in Poland. The main products are manure spreaders, mixer feeders, animal feeding lines, feeding robots.
- Ką pasėsi 2018 – biggest exhibition in Lithuania and in Baltic states. EWA was the main sponsor. The exhibition was visited by 90.000 visitors.

Main financial indicators

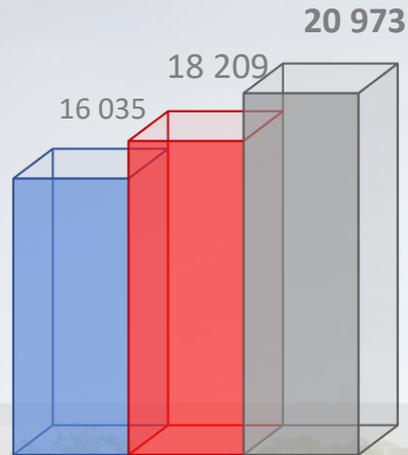


	2018.09.30	2017.09.30	Change	2016.09.30
Sales (EUR thousands)	20,973	18,209	15%	16,035
Gross profit (EUR thousands)	3,254	2,599	25%	2,142
Gross margin, %	15,5%	14,3%	9%	13,4%
EBITDA (EUR thousands)	1,145	720	59%	1,643
EBITDA margin, %	5,5%	4,0%	38%	10,2%
Net profit (EUR thousands)	227	-50	554%	574
Net profit margin, %	1,1%	-0,3%	494%	3,6%
Profit per share	0,23	-0,08	384%	0,92
Total financial debt (EUR thousands)	8,315	7,014	19%	5,215

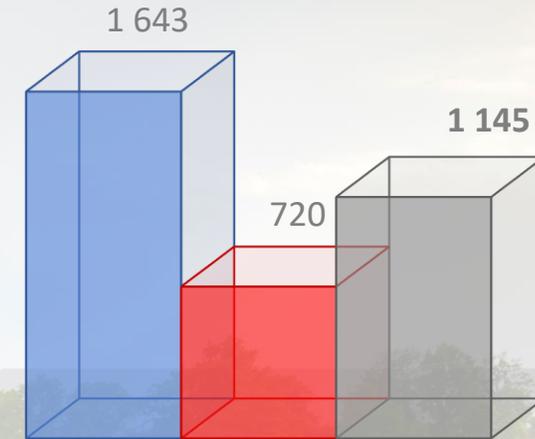


EWA ■ MAIN FINANCIAL INDICATORS

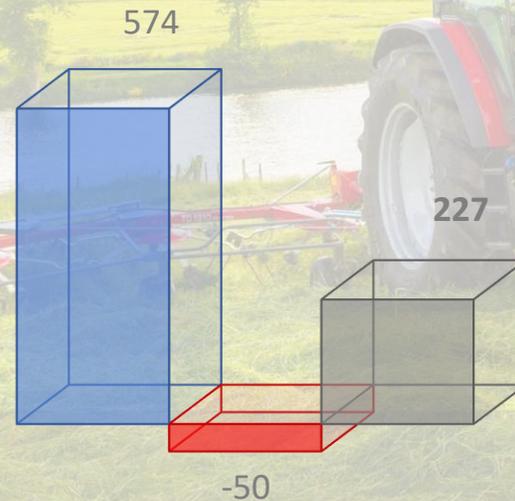
SALES (EUR THOUSANDS)



EBITDA (EUR THOUSANDS)



NET PROFIT (EUR THOUSANDS)



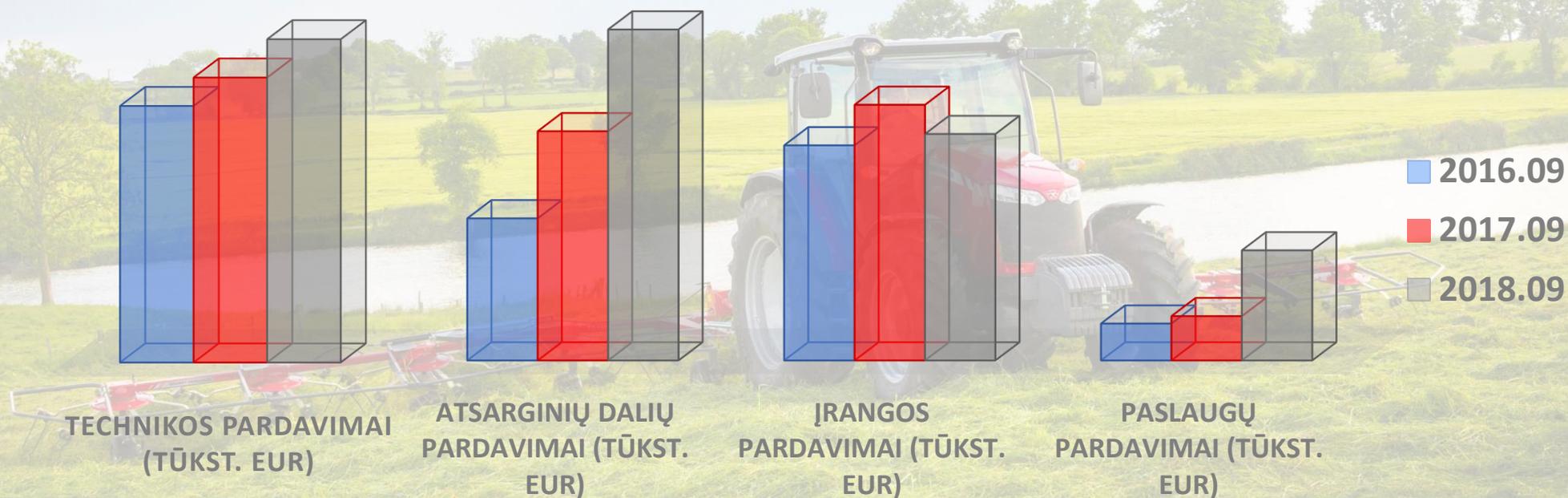
■ 2016.09

■ 2017.09

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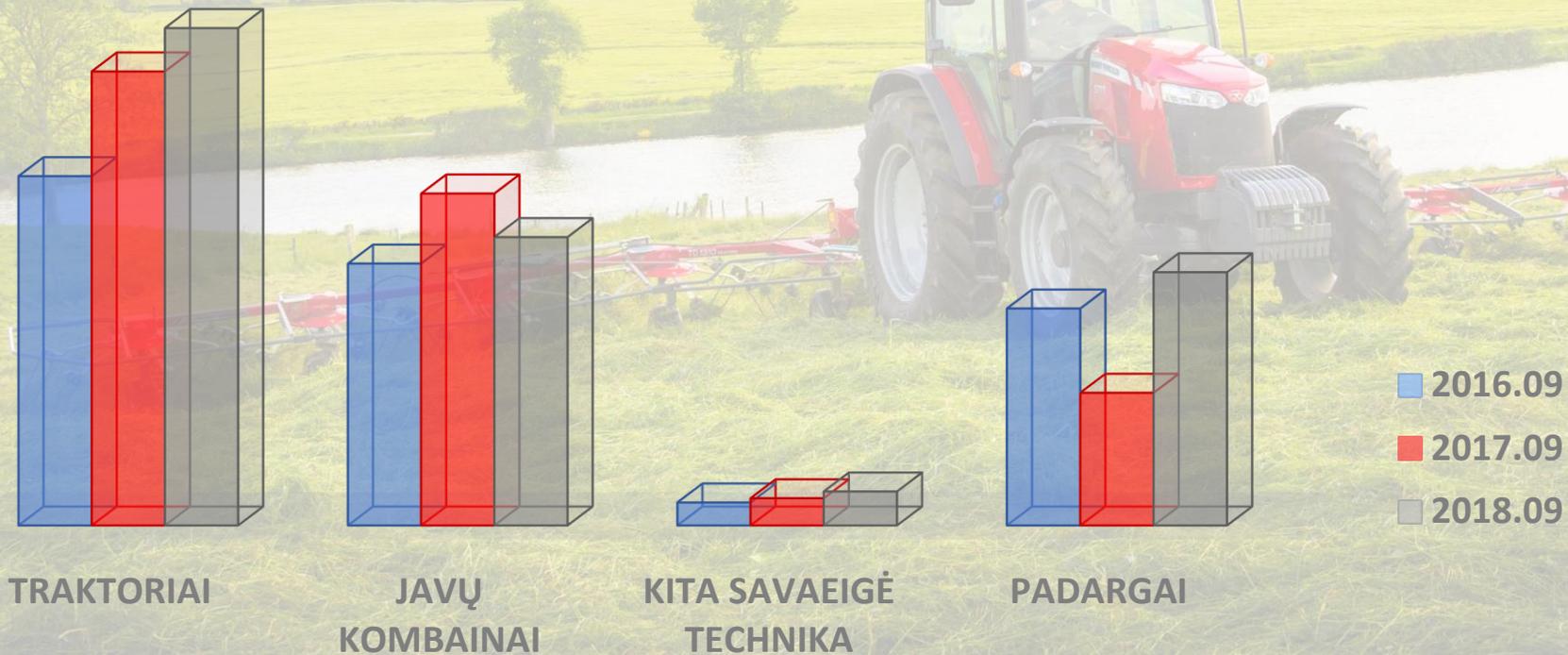
EWA SALES BY PRODUCT GROUPS

	9 months of 2018	9 months of 2017	Change	9 months of 2016
Sales of machines (EUR thousands)	18 067	15 926	13%	14 335
Sales of spare parts (EUR thousands)	1 428	989	44%	613
Sales of equipment (EUR thousands)	977	1 103	-11%	928
Sales of services (EUR thousands)	475	191	149%	159



EWA SALES OF MACHINES BY PRODUCTS, EUR THOUSANDS

	9 months of 2018	9 months of 2017	Change	9 months of 2016
Tractors	8 372	7 643	10%	5 882
Combine harvesters	4 857	5 590	-13%	4 412
Other self-propelered machinery	572	458	25%	387
Implements	4 266	2 235	91%	3 654



EUR thousands	2018.09.30	2017.09.30	2016.09.30
Intangible assets	22	16	9
Tangible assets	3 853	2 297	653
Financial assets	104	76	32
Other fixed assets	21	20	0
FIXED ASSETS	4 000	2 410	694
Inventories	7 854	10 683	9 027
Advance payments	206	131	142
Amounts receivable	9 460	8 042	5 523
Other debtors	0	0	4
Cash and cash equivalents	31	650	57
CURRENT ASSETS	17 551	19 506	14 754
PREPAYMENTS AND ACCRUED INCOME	218	59	0
TOTAL ASSETS	21 769	21 975	15 448
Share capital	1 000	625	500
Share premium	2 875	2 875	0
Reserves	313	300	3
Retained profit (loss)	779	255	638
EQUITY	4 967	4 055	1 141
Interest-bearing loans and lease liabilities	2 558	886	3 330
VC fund loan	1 500	1 500	1 500
NON-CURRENT LIABILITIES	4 058	2 386	4 830
Long-term liabilities falling due in less than one year	34	30	3
Interest-bearing loans and lease liabilities	4 223	4 598	382
Advance payments	252	118	178
Trade payables	7 271	9 921	8 194
Amounts payable to the entities of the entities group	0	0	178
Liabilities related to employment relations	224	197	132
Other amounts payable and short-term liabilities	488	658	204
CURRENT LIABILITIES	12 492	15 523	9 272
AMOUNTS PAYABLE AND OTHER LIABILITIES	16 550	17 909	14 102
ACCRUALS AND DEFERRED INCOME	252	11	204
TOTAL EQUITY AND LIABILITIES	21 769	21 975	15 448

EWA INCOME STATEMENT

EUR thousands	2018.09.30	2017.09.30	2016.09.30
Revenue	20 973	18 210	16 035
Cost of sales	17 705	15 541	13 893
Gross profit	3 268	2 669	2 142
Selling expenses	-203	-178	-172
Administrative expenses	-2 693	-2 154	-1 191
Operating expenses	-2 895	-2 332	-1 363
Operating profit (loss)	373	337	779
Income	177	36	48
Expenses	-1	-16	
Other activity	177	19	48
Income	127	46	66
Expenses	-448	-453	-318
Financial and investment operations	-322	-407	-252
PROFIT (LOSS) BEFORE TAXES	228	-51	574
EBITDA	1 145	721	1 644



To comment the results of the company's activities, it's important to note that the past two years has been difficult for Lithuanian farmers and agricultural companies. In the year 2017 crops were drowning from the rains and this year we had drought. Total crop yields are about 30% lower than expected in 2018. Lower farm incomes and reduced funding opportunities have slowed down investment in modernizing farms, in many cases pushing them down to next year. Consequently, the market for new agricultural machinery is still not in line with its potential.

The Board of Directors, having evaluated the sales outlook and market conditions seen before the end of the year, approved the adjusted budget for 2018. It is planned that the company's sales revenue in 2018 will amount to 30.5 million EUR and will be 4.36 million EUR or 16.7% higher than the audited 2017 earnings. The company will earn 1.15 million EUR before tax, EBITDA will amount to 2.36 million EUR



EWA ABOUT THE COMPANY

Lietuviško kapitalo bendrovė EWA yra viena didžiausių žemės ūkio technikos ir įrengimų prekybos įmonių Lietuvoje. Pagrindinės teikiamos paslaugos yra:

- Mažmeninė ir didmeninė prekyba nauja žemės ūkio technika,
- Grūdų sandėliavimo įrengimų prekyba ir projektavimas,
- Žemės ūkio technikos aptarnavimo darbai ir techninė priežiūra.

EWA iš viso atstovauja beveik dviem dešimtims tarptautinių prekinių ženklų. Tarp jų – tokie visame pasaulyje pripažinti žemės ūkio technikos gamintojai kaip „Massey Ferguson“, „Sulky“, „Bednar“ ir kiti.

2017 m. Lietuvoje bendrovė atidarė du naujus technikos prekybos ir aptarnavimo centrus – Šiauliuose ir Kupiškėje.

Bendrovės pagrindinė buveinė įsikūrusi centrinėje Lietuvos dalyje – Kauno raj., Kumpių kaime, prie autostrados Kaunas – Klaipėda. Čia veikia EWA administracija, yra įsikūręs klientų aptarnavimo skyrius, technikos priežiūros centras.

EWA SHAREHOLDERS

Shareholder	Shares	Percentage of shares
Danas Šidlauskas	399 021	39,90%
Gediminas Kvietkauskas	395 592	39,56%
Multi Asset Selection Fund	80 000	8,00%
Kiti smulkieji akcininkai	125 387	12,54%

EWA



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