

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 //



EWA ■ MAIN FACTS DURING 9 MONTHS OF 2018

- 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.

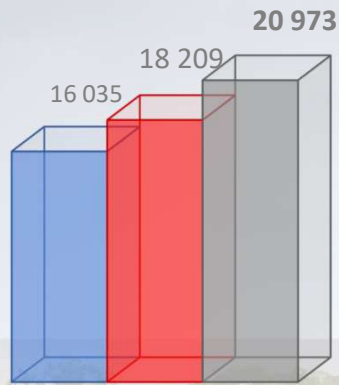
EWA MAIN FINANCIAL INDICATORS

| | 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 |

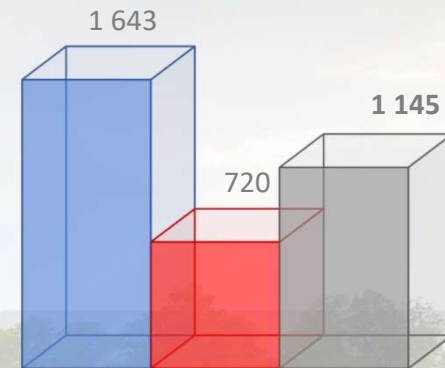


EWA ■ MAIN FINANCIAL INDICATORS

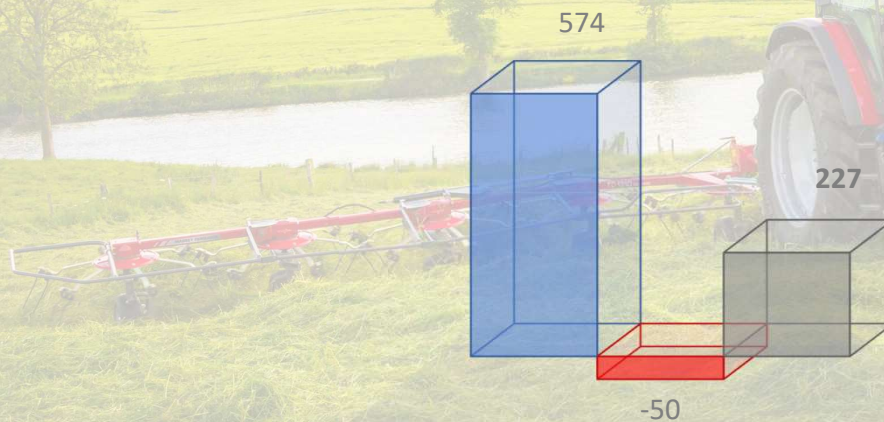
SALES (EUR THOUSANDS)



EBITDA (EUR THOUSANDS)



NET PROFIT (EUR THOUSANDS)



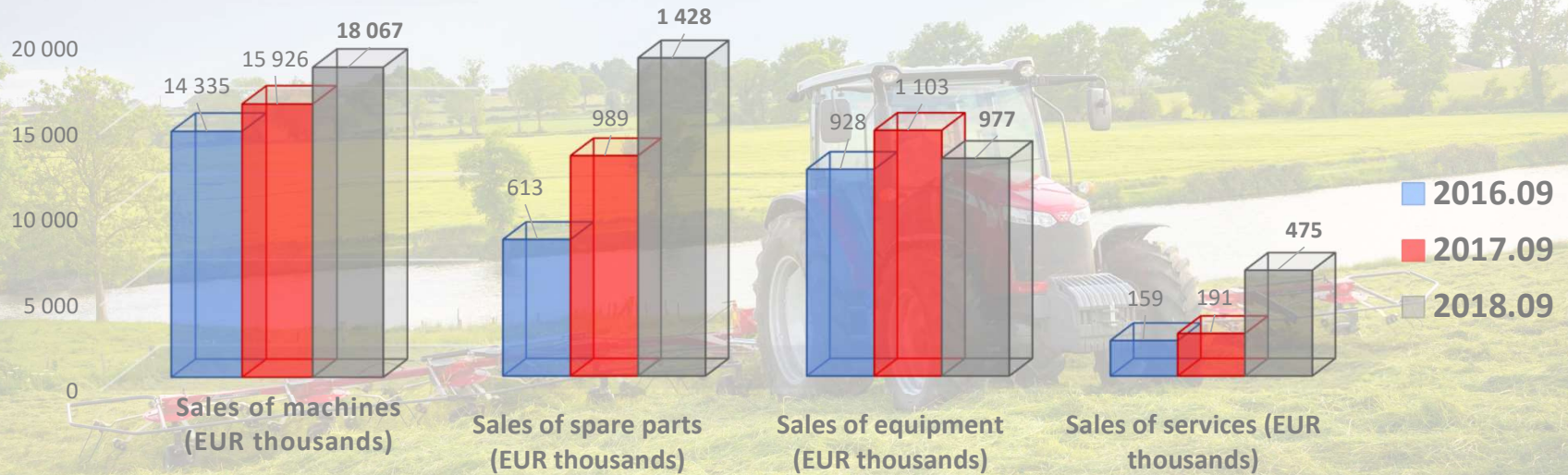
■ 2016.09

■ 2017.09

■ 2018.09

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

EWA INCOME STATEMENT

| EUR thousands | 2016.09.30 | 2017.09.30 | 2018.09.30 |
|--|---------------|---------------|---------------|
| 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 |

EWA



EWA COMMENT

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

The Lithuanian capital company EWA is one of the major agricultural machinery and equipment straight companies in Lithuania. Main services:

- Agricultural machinery sales,
- Agricultural facilities sales,
- Technical service.

EWA represents a total of almost 20 international brands, which include globally recognized manufacturers of agricultural equipment such as Massey Ferguson, Bednar, Fella and others.

The company's main office is located in the central part of Lithuania – Kaunas distr., Kumpiai village, near the Kaunas – Klaipeda highway. Here the company has its administration, customer service division and machinery maintenance centre. 2017 In Lithuania, the company has opened two new technical trade and service centers – at Šiauliai and Kupiškis.

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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