

Annual General Meeting of Ekotechnika AG: shareholders approve all items on the agenda with a large majority

- **Annual General Meeting approves Authorized Capital 2020**
- **Amendments to the Articles of Association on Annual General Meetings**
- **Positive development in the first nine months of 2019/2020**

Walldorf, 28 September 2020 – Ekotechnika AG (Primary Market; ISIN: DE000A161234), the German holding company of the largest dealer of international agricultural machinery in Russia, today successfully held its Annual General Meeting, which had been postponed due to the coronavirus pandemic. In addition to ratifying the actions of the members of the Executive Board and the Supervisory Board and appointing the auditor of the consolidated financial statements for the financial year 2019/2020, the Annual General Meeting also approved the creation of Authorized Capital 2020 with a large majority.

In addition, in view of the coming into force of the German Act Implementing the Second Shareholders' Rights Directive (ARUG II), an amendment to the Articles of Association on the participation in Annual General Meetings was resolved. In view of the experience gained during the coronavirus pandemic, the shareholders also approved further amendments to the Articles of Association on the holding of Annual General Meetings to make the rules governing the attendance by shareholders and members of the Supervisory Board more flexible.

At today's Annual General Meeting, the Executive Board furthermore reported on the company's performance in the first nine months of the financial year 2019/2020 (30 September). Revenues increased by 21% from EUR 123.0 million in the same period of the previous year to EUR 148.9 million. The sale of agricultural machinery remained the most important revenue driver. In contrast, the Forestry Machinery segment, which has so far been of little significance in terms of revenues, was affected by the slump in exports to China as a result of the coronavirus pandemic and some changes in the laws governing the export of wood products.

Sales of both tractors and combines increased in the first nine months of 2019/2020 compared to the same period of the previous year. While the company sold 189 tractors (9M 2018/2019: 164 tractors), the number of combines sold rose by almost 80% from 46 machines to 82 machines.

EKOTECHNIKA

Earnings before interest and taxes (EBIT) declined from EUR 8.9 million (9M 2018/2019) to EUR 7.5 million (9M 2019/2020) as a result of exchange rate effects. Adjusted for these effects, EBIT rose by approximately 21% to EUR 10.4 million (9M 2018/2019: EUR 8.6 million). The exchange rate effects are due to the strong depreciation of the ruble by about 20% and are largely unrealized. For the full financial year, the exchange rate effect on earnings will be even more pronounced due to the recent development of the ruble.

Stefan Dürr, CEO of Ekotechnika AG: “Overall, we are very satisfied with the performance in the financial year 2019/2020 so far, even though we are feeling the effects of the significantly weaker ruble since March. Demand for new agricultural machinery remains high, which is also reflected in our increased sales figures.”

Bjoerne Drechsler, member of the Executive Board of Ekotechnika AG: “In the coming months, we will continue to work on the organizational consolidation of our regional companies at holding level, especially with regard to purchasing, sales and marketing as well as after-sales services. We also plan to focus our sales organization on trailer technology. This enables a logical diversification and the tapping of unused market potential in our exclusive areas. In the Smart Farming segment, we will moreover set up a department with ten employees and push ahead the search for cooperation partners in both the hardware and software field.”

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. At the end of 2018, forestry machinery from Canadian manufacturer Tigercat was added to the portfolio. 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 two decades. Operating 23 locations in five attractive Russian farming regions, Ekotechnika today employs around 690 people and generated sales revenues of around EUR 160 million in 2018/19. 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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