

EWA

 AB East West Agro

**INTERIM
REPORT 2024**

Comment

In 2024, AB East West Agro (EWA) (hereinafter referred to as the Company) revenue amounted to 31.9 million. EUR and, compared to 2023, decreased by 9%, net profit decreased by 7% and amounted to 1.56 million. EUR, EBITDA decreased by 1.9% and amounted to 2.59 million. EUR.

According to the Agricultural Machinery Register, the tractor market shrank by 23%, to 516 units, and the combine harvester market fell drastically - decreased by 46%, to 94 units.

Although the agricultural machinery market was the lowest in the last 15 years, the company successfully managed to control warehouse balances and maintain competitive pricing. Massey Ferguson tractor sales grew by 16% (96 units), which allowed it to occupy 19% of the tractor market in Lithuania.



Comment

Last year, the agricultural machinery market across Europe experienced a downturn, forcing many manufacturers to temporarily close some factories.

Additional pressure on farms was caused by rising interest rates, which made it more difficult to implement planned investments. Due to the increased cost of borrowing, farmers had to reconsider their financial obligations, often postponing decisions on modernization and expansion. For farms with loans, the financial burden increased even more, reducing profitability and forcing farmers to adopt a more cautious investment strategy. These factors hindered the implementation of riskier and longer-term projects, forming a more cautious approach to development.





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Budget

The company's management has drawn up a budget for 2025, in which the expected sales revenue should reach 43.5 million euros, profit before tax should reach 3.4 million euros, EBITDA will reach 4.2 million euros.

EWA's strategy remains unchanged - to focus on high-value-added premium products intended for professional farming. This leads to an increase in the average horsepower of tractors and combines sold every year, and the average unit price increases accordingly.





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Key Financial Indicators

Indicator	2022.12.31	2023.12.31	2024.12.31
Revenue, mil. Eur	42,69	35,18	31,87
Gross Profit, mil. Eur	8,33	6,86	6,90
Gross Profit Margin, %	19,50	19,49	21,65
EBITDA, mln. Eur	4,43	2,64	2,59
Net Profit, mil. Eur	3,39	1,67	1,56
Net Profit Margin, %	7,95	4,75	4,9
EPS, Eur	3,39	1,67	1,56
Financial Debt, mil. Eur	0,32	5,32	6,4



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Revenue Distribution by Product Groups

Product Group	2022.12.31	2023.12.31	2024.12.31	(2023-2024)
Machinery Sales, mil. Eur	36,37	28,52	24,15	-15,32%
Spare Parts Sales, Services, mil. Eur	4,22	4,71	4,8	+1,91%
Other, mil. Eur	2,30	1,95	2,92	+49,74%



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Machinery Distribution by Products

Product	2022.12.31	2023.12.31	2024.12.31	(2022-2023)
Tractors, mil. Eur	21,83	13,92	14,40	+3,45%
Combine Harvesters, mil. Eur	8,05	9,55	5,99	-37,28%
Implements, mil. Eur	6,49	5,05	3,76	-25,55%



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Agricultural Machinery Market*

Tractors	2020	2021	2022	2023	2024
Total, units	698	807	934	666	516
Massey Ferguson Tractors, units	141	141	171	83	96
Massey Ferguson Tractors Market Share, %	20	18	18	12	19

Combine Harvesters	2020	2021	2022	2023	2024
Total, units	121	177	181	175	94
Massey Ferguson Combine Harvesters, units	30	30	30	31	17
Massey Ferguson Combine Harvesters Market Share, %	25	17	17	18	18

* Market of new machines dedicated to professional farming, registered by farm entities



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