

Quarterly Report of Rába Plc. for Q1-Q4 of 2021

Unaudited, consolidated quarterly report
according to the International Financial Reporting Standards (IFRS)

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Company address:	H-9027 Győr, Martin u. 1.
Sector:	Machine industry
Period:	Q1-Q4 of 2021
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MANAGEMENT REPORT

MAIN RESULTS OF THE COMPANY

- There were no signs of normalisation in Q4 of 2021 in terms of the market disturbances, capacity issues and increasing purchase prices. In addition to extraordinarily high purchase prices on the steel market, the crisis on the European energy market resulted in drastically exploding prices during Q4 and in the highest energy procurement prices of the past decade. All of this, coupled with the still considerable consumer demand-side activity, exerted substantial inflationary pressure on the economic environment. Supply difficulties are yet to be overcome and the result of global monetary policy answers are yet to be manifest, thus future outlooks suggest that inflationary pressure could become an overall market factor.
- In Q4 of 2021, there was still substantial business activity on the truck and agricultural vehicle markets, the passenger vehicle segment, however, was characterised by a substantial decline due to the disturbances in supply. The impacts of the COVID-19 pandemic on the base period should be taken into consideration when evaluating both sales and financial data. In Q1-Q4 of 2021, Group-level sales increased by 19.8 per cent benefiting from the activity in market demand, the amount of sales revenue achieved was HUF 46.4 billion. Q4 sales amounted to HUF 13.2 billion, with a 20.2 per cent increase in sales, which is the highest Q4 sales revenue of the past five years. The Axle businesses unit contributed to the outstanding Group-level sales in Q4 by an outstanding 66.9 per cent increase in sales. In Q4, the Components business unit registered a decline in sales by 10.7 per cent due to the decline in demand on the passenger vehicle market. The sales figures of the Vehicle business unit were characterised by a decrease by 55.0 per cent, explained primarily by the fact, that as a result of the crisis management measures introduced in 2020, the production of steel structures for civilian applications was transferred from the Vehicle business unit to the Axle business unit. The contribution to the increase in sales revenue for the cumulative period was a 48.6 per cent and 17.0 per cent increase in sales in the Axle and Components business unit respectively, whereas the Vehicle business unit contributed a decline in sales by 62.3 per cent due to the reorganisation and the streamlining of the portfolio. In terms of the exchange rate environment, in the exchange rates of the USD representing a lesser portion in the company's foreign exchange turnover, there was a decline by 1.5 per cent, and in the EUR, representing a more substantial portion of FX sales, there was an increase by 2.1 per cent compared to the levels of the previous year.
- Base material supply linked to the stable increase in demand within the heavy vehicle sector was secured through a substantial increase in delivery lead times and upon continuously increasing steel prices. The relaunch of steel manufacturing capacities operated only partially for various company-specific reasons or withdrawn from production during the COVID-19 pandemic, is done in a phased fashion only. The situation was further deteriorated by the fundamental changes in supply and demand relations on the global market and in the Chinese trading position.

As a result of the above, the steel market was, from November 2020 until the end of the first 6 months of 2021, characterised by steadily growing prices, triggering a 50-100 % base price increase on the world market varying depending on the product segment, which is reflected in

metal products to a varying extent, depending on their complexity. In terms of procurements the second half of the year, further drastic price increases were felt.

The above substantial increase in costs is passed on by the Rába Group to its trading partners as per the terms of the existing agreements and as a result of negotiations, with a quarterly delay in the case of the majority of the products and with a 6-month delay for more complete products and for products with orders fixed in the longer-term. These two factors, namely that in 2021, base material prices have shown a steadily increasing tendency and that the cost increase can be passed on to the customers with a time lag only, have a negative impact on the profit positions and margins of the group of companies in 2021.

It is Rába's firm objective to neutralise these negative impacts as soon as possible, following the stabilisation of world market purchase prices through the enforcement in sales prices of the increase of purchase costs.

- Gross margins at group level amounted to HUF 8,819 million with an efficiency of 19.0 per cent. The gross profit exceeding that of the base period by 9.8 per cent was achieved, owing to the increase in sales volume, upon improving capacity utilisation and at the same time under considerably increasing price pressure for all major cost elements. The Rába Group reacted to the volatility of customer demands and to the difficulties in the supply environment by increasing integrity and flexible adjustment of the operation. In spite of the steel prices stabilising at an unusually high level in Q4 and the considerably increased energy prices, the quarterly gross margin represented 20.6 per cent, amounting to a gross margin of HUF 2,719 million.
- The balance of other revenues and expenditures amounted to HUF 651 million in profit during the review period, against the loss of HUF 551 million during the same period of the previous year. The profit of other activities during the base period included a real estate transaction carried out during Q2, with an impact on profits of HUF 815 million. The result of other activity during the base period included a one-off, unplanned write-off in the amount of HUF 296 million due to the unsustainability in accounting terms of the Ministry of Defence capacities.
- To improve operating profitability, in addition to increasing the flexibility of the manufacturing activity, the Company implemented controls of the general and overhead costs. The indirect costs increased by a mere 3.3 per cent on a year/year basis, upon sales increasing by 19.8 per cent. In Q1-Q4 of 2021, the group-level profit from operations amounted to HUF 1,978 million, without the one-off adjustment items the operating profit was HUF 1,163 million. All business units made a positive contribution through profitable operation achieved through improving efficiency, to the group-level operating profit during the cumulative period. The operating profit of the Axle business unit was HUF 498 million in Q1-Q4 of 2021, the operating profit of the Components business unit was HUF 607 million, whereas the Vehicle business unit generated HUF 252 million in profits. The business activity of both the group and the subsidiaries was profitable in spite of the explosion in energy prices and overall inflationary pressures in Q4, as well as the production volume declines and outages in the passenger vehicle segment. Group-level profits amounted to HUF 552 million, to which the Axle business unit contributed HUF 148 million, the Component business contributed HUF 223 million and the Vehicle business unit contributed HUF 200 million in profits. The production of civilian applications of the Vehicle business unit was successfully integrated into the Axle business unit, the role and position of the Vehicle business unit within the new structure seem to be stabilised. Accordingly, their operating activity was profitable both on a quarterly and on a cumulative basis, albeit at a different level. A real estate sale concluded in Q2 also contributed to the Group-level operating profit during the cumulative period.
- In terms of cash generating efficiency, the EBITDA-level profit achieved during the review period exceeded HUF 4.3 billion, amounting to HUF 4,370 million. The EBITDA margin amounted to 9.4 per cent, 7.7 per cent excluding the one-off, adjustment items. All business units contributed to the considerable improvement compared to the base period in Group-level EBITDA by drastically increasing EBITDA-level results in 2021: EBITDA increased by 70.4 per cent within the Axle business unit, by 81.3 per cent within the Components business unit and by 144.2 per cent within the Vehicle business unit. Results in terms of cash-generating efficiency suggest not only that all members of the group reacted successfully to market challenges and difficulties caused

by inflationary pressures but also that reorganisations between the Vehicle and Axle business units were implemented successfully. In Q4, the Group-level EBITDA margin was at a level close to the industry benchmark, representing 8.7 per cent in spite of the explosion of energy prices and the substantially declining demand on the passenger vehicle market.

- The financial result in Q1-Q4 of 2021 amounted to HUF 208 million in losses, compared to the loss of HUF 900 million generated during the same period of the previous year. The financial performance was influenced by the realised exchange rate loss by HUF 139 million and the net interest burden of HUF 59 million.
- The total aggregate income and profit for Q1-Q4 of 2021 amounted to HUF 1,272 million.
- The financial situation of the Rába group was characterised by a stable liquidity position in spite of the COVID-19 pandemic period and the challenges of the recovery period that followed. The net borrowings amounted to HUF 9.1 billion at the end of the review period, an increase by HUF 2.7 billion compared to the base period. Of the factors influencing the level of net borrowings, the profitable operating activity, the increase in working capital as a result of increasing production volumes and safety of supply, capital expenditures and the profit of the one-off real estate sale are noteworthy. The revaluation, due to exchange rate fluctuation, of loans, worth HUF 206 million, not involving cash movements, also contributed to the change in net borrowings.
- The shareholder's equity increased by 6.4 per cent compared to the same period of the previous year. The shareholder's equity per share reached HUF 1.571/share.

thousand HUF	Q1-Q4 2020	Q1-Q4 2021	Change	Q4 2020	Q4 2021	Change
Sales revenue	38 754 451	46 435 610	19.8%	10 990 612	13 208 788	20.2%
Gross profit	8 032 365	8 819 049	9.8%	2 891 514	2 718 795	-6.0%
<i>Gross margin</i>	20,7%	19,0%	-1.7%p	26,3%	20,6%	-5.7%p
EBITDA	2 567 552	4 370 186	70.2%	1 865 754	1 147 135	38.5%
<i>EBITDA level</i>	6,6%	9,4%	2.8%p	17,0%	8,7%	-8.3%p
Operating profit	226 697	1 977 787	772.4%	1 263 860	552 197	-56.3%
Net financial profit/loss	-899 760	-207 620	76.9%	3 864	-253 081	-6649.6%
Profit after tax for the current year	-1 030 404	1 271 978	223.4%	1 138 154	111 338	-90.2%
Total comprehensive income	-1 030 404	1 271 978	223.4%	1 138 154	111 338	-90.2%

GOAL AND STRAGY OF THE BUSINESS

"In spite of the multiple economic constraints, our Company has concluded last year with outstanding results and financial indicators, owing to its fast responsiveness and flexible customer service. The year 2021 presented the economy with a number of adverse surprises and these impacts have not spared Rába either. As the year progressed, new difficulties emerged, while earlier burdens were being dealt with. The disturbances in the supply chain and the increases in raw material prices have become constant phenomena, compounded by energy price increases in the second half of the year, reaching drastic magnitudes in Q4, thus exerting considerable pressure on the economic environment. Rába successfully handled the challenges and launched its production, corporate management and organisational restructuring. A major modernisation and capital expenditure programme has been devised to facilitate future efficiency improvement", stressed Béla Hetzmann, Chairman-CEO of Rába Automotive Holding Plc.

BUSINESS ENVIRONMENT OF THE ENTERPRISE

- In terms of sales, the considerable demand activity in 2021 can be considered a positive environmental factor. A substantial increase in customer demand was manifest in the commercial vehicle markets of Rába, providing favourable conditions for sales growth. A new economic phenomenon in 2021 was that the disturbances in the supply chains are increasingly manifest in various levels and sectors. Inflationary pressures across the board became considerable in all cost areas, fundamentally affecting the company's profitability. The most significant economic occurrence of 2021, in a negative sense, is the European energy crisis that caused a drastic price explosion and a three-fold increase in purchase prices by Q4.

- Demand on the commercial vehicle market in Q4 was largely similar to the earlier periods of the year: market activity was downright conducive to the increase in sales. The high demand for shipping and the resulting high shipping tariffs provided a solid basis for the expansion and renewal of commercial vehicle fleets. Parallel to the renewal of vehicle fleets, used vehicles continued to be present, which means that there is a strong demand for spare parts. Accordingly, in Q1-Q4 of 2021, market demand on all of Rába's principal markets substantially exceeded the level of the previous year, impacted by the economic effects of the COVID-19 pandemic.
- In Q1-Q4 of 2021, the European truck market exceeded the level of a year earlier by 19 per cent, Market outlooks for next year do not project similar growth. The North American truck market expanded by 15 per cent compared to the base period in 2020. There was a significant demand for Rába's agricultural products compared to the base year 2020 affected by the shut down due to COVID-19: sales increased by 63 per cent in 2021. The Russian truck market grew spectacularly in months 1-12 of 2021: 31 per cent more new trucks were produced than during the base period a year earlier. The Russian bus market was also characterised by an increase in demand, albeit of a lesser extent during the review period: the sales of new buses exceeded the 2020 sales volume by 4 per cent. On the European passenger vehicle market the growth during Q1-Q3 still exceeded 6 per cent, in line with the earlier forecasts, though, supply chain problems in the automotive industry however, fundamentally impacted the sales figures of Q4. In the last quarter of 2021, new car registrations in Europe were 23 per cent below the level of the previous year. Combined with the decline in Q4, demand for the entire year was 2 per cent below the level of the base period.
- Capacity shortages in the procurement channels have led to increasing purchase prices upon uncertain supply conditions in 2021. The considerable increase in steel base material prices, characteristic for Q3 continued in Q4, thus production activity was negatively impacted in H2 of 2021 by the highest price level of the past decade. The price increase during the review period on a quarterly basis amounted to 48.8 per cent, which led to an annual average steel price increase of 36.1 per cent.
- The increase in human resource expenses was 8.7 per cent in Q1-Q4 of 2021, which exerts considerable pressure on operating activities. Improving operating efficiency and implementing it within production technology, to cover the continuously increasing wage costs is increasingly challenging for the Company.
- In Q2 of 2021, purchase prices of energy costs also started to increase drastically, followed in Q3 and Q4 by dramatic price increases as a result of the crisis on the European energy market. In Q3 the annual price increase was 48.7 per cent, followed by continued drastic increase in prices in Q4, reaching 198.9 per cent. In total, average energy purchase prices in 2021 increased by 62.7 per cent in a year. All this meant that the highest energy purchase prices of the last decade had a negative impact on the profitability of production.
- With regard to the exchange rate environment, a decrease by 1.5 per cent occurred in the case of the USD, representing a lesser proportion in the FX turnover of the company, whereas for the EUR, representing more substantial weight in the FX turnover, an increase by 2.1 per cent was seen in Q1-Q4 of 2021 compared to the levels of the previous year.¹

¹ The average exchange rates were calculated based on the official FX exchange rates of the MNB.
Source: <http://www.mnb.hu/arfolyam-lekerdezes>

	Q1-Q4 2020	Q1-Q4 2021	Change	Q4 2020	Q4 2021	Change
EURHUF – average	351.2	358.5	2.1%	360.6	364.4	1.0%
EURHUF – end of period	365.1	369.0	1.1%	365.1	369.0	1.1%
USDHUF – average	307.9	303.3	-1.5%	302.5	318.7	5.4%
USDHUF – end of period	297.4	325.7	9.5%	297.4	325.7	9.5%
Changes in raw material prices*	106%	144%	36.1%	106%	158%	48.8%
Wage level**	399.3	433.8	8.7%	417.8	456.8	9.3%
Changes in energy prices***	207%	337%	62.7%	199%	595%	198.9%

*Rába indices – own calculation - base: 2007. Q1; average values for the period

**KSH (Central Statistical Office) national gross average wage (thousand HUF/month) –based on 01-08. 2021. data

***Rába indices – own calculation - base: Dec. 2004.; average values for the period

SUMMARY OF RESULTS ACHIEVED DURING THE REVIEW PERIOD

Rába Axle Ltd.

The sales revenue of Rába Axle Ltd. in Q1-Q4 of 2021 amounted to HUF 30.5 billion compared to HUF 20.6 billion achieved during the base period of 2020. This corresponds to an increase of 48.6 per cent.

On the **American market** the sales revenue in the reporting period was USD 8.7 million, compared to the USD 9.1 million in Q1-Q4 of 2020. This corresponds to a decrease by 4.4 per cent.

On the **EU market** Rába Axle Ltd.'s sales figures in HUF terms increased by 67.0 per cent, amounting to HUF 25.1 billion, compared to HUF 15.0 billion during the base period.

European exports in Q1-Q4 of 2021 exceeded the level of the base period by 75.2 per cent, amounting to EUR 55.7 million, against EUR 31.8 million in Q1-Q4 of 2020. Sales figures are fundamentally influenced by the reorganisation of the civilian applications of the Vehicle business unit to the activities of the Axle business unit as a result of the crisis management measures of 2020.

Domestic sales before consolidation amounted to HUF 5,098 million, which represents an increase by 32.5 per cent compared to the HUF 3,848 million of the base period.

On the **CIS and East-European** markets the export sales revenues achieved by Rába Axle Ltd. in Q1-Q4 of 2021 were 43.2 per cent lower than the base period in 2020, decreasing from EUR 4.4 million in the base period to EUR 2.5 million.

In the **other** markets. the sales revenue during the reporting period amounted to EUR 5.3 million, which was 55.9 per cent higher than the EUR 3.4 million turnover of the 2020 base period.

The operating result of the Company in Q1-Q4 of 2021 was a profit of HUF 498 million, compared to HUF 6 million profit during the same period of the previous year.

At EBITDA level, the operating profit of the Axle business unit was HUF 2,144 million compared to HUF 1,258 million registered a year earlier.

million HUF	Q1-Q4 2020	Q1-Q4 2021	Change	Q4 2020	Q4 2021	Change
America	2 802	2 649	-5.5%	605	1 021	68.8%
EU - export	11 171	19 984	78.9%	3 521	5 634	60.0%
EU - domestic	3 848	5 098	32.5%	932	1 483	59.1%
CIS	1 552	903	-41.8%	245	446	82.0%
Other	1 184	1 906	61.0%	215	623	189.8%
Total sales revenue	20 558	30 539	48.6%	5 518	9 208	66.9%
EBITDA	1 258	2 144	70.4%	624	559	-10.4%
Operating profit	6	498	8200.0%	292	148	-49.3%

Rába Automotive Components Ltd.

The sales revenue of Rába Automotive Components Ltd. amounted to HUF 14.6 billion in Q1-Q4 of 2021, which is a 17.0 per cent increase compared to the base period.

Rába Automotive Components Ltd. generates a considerable portion of its sales on the European market.

European exports during Q1-Q4 of 2021 amounted to EUR 19.9 million, which represents an increase of 19.2 per cent compared to the EUR 16.7 million of the base period of 2020.

Domestic sales before consolidation amounted to HUF 7,461 million during the reporting period, which corresponds to an increase by 13.0 per cent compared to the sales revenue of HUF 6,603 million during Q1-Q4 of 2020.

The Company generated a profit of HUF 607 million at operating level during the reporting period compared to the profit of HUF 109 million in Q1-Q4 of 2020.

On the level of EBITDA, the profit of the Components business unit was HUF 1,044 million during the period, compared to the profit of HUF 576 million of the previous year.

million HUF	Q1-Q4 2020	Q1-Q4 2021	Change	Q4 2020	Q4 2021	Change
EU - export	5 850	7 117	21.7%	1 631	1 776	8.9%
EU – domestic	6 603	7 461	13.0%	2 149	1 601	-25.5%
Other	17	8	-52.9%	1	1	0.0%
Total sales revenue	12 471	14 587	17.0%	3 781	3 378	-10.7%
EBITDA	576	1 044	81.3%	669	335	-49.9%
Operating profit	109	607	456.9%	556	223	-59.9%

Rába Vehicle Ltd.

The sales revenue of Rába Vehicle Ltd. in Q1-Q4 of 2021 was 62.3 per cent below the figure of the base period and decreased from HUF 6.0 billion to HUF 2.3 billion.

The sales figures of the Vehicle business unit are fundamentally influenced by the reorganisation of the production of steel structures for civilian applications from the Vehicle business unit into the activities of the Axle business unit. As a result of this, a significant portion of the sales revenue of Rába Vehicle Ltd. is generated on the domestic market.

European exports were 93.9 per cent below the level of the base period, thus declining from EUR 13.1 million to EUR 0.8 million.

Domestic sales before consolidation amounted to HUF 1,995 million in Q1-Q4 of 2021, upon an increase by 38.8 per cent.

The operating result amounted to HUF 252 million in profits during the reporting period compared to the loss of HUF 225 million during the base period last year.

On the level of EBITDA, in the reporting period, the Vehicle Business unit registered a profit of HUF 293 million compared to HUF 120 million in Q1-Q4 of 2020.

million HUF	Q1-Q4 2020	Q1-Q4 2021	Change	Q4 2020	Q4 2021	Change
EU - export	4 609	282	-93.9%	1 168	283	-75.8%
EU - domestic	1 437	1 995	38.8%	553	492	-11.0%
Total sales revenue	6 046	2 277	-62.3%	1 721	775	-55.0%
EBITDA	120	293	144.2%	296	211	-28.7%
Operating profit	-225	252	212.0%	206	200	-2.9%

The Rába Group

The consolidated sales revenue of the Rába Group in Q1-Q4 of 2021 amounted to HUF 46.4 billion, which is an increase by 19.8 per cent compared to the figure of HUF 38.8 billion reported for the base period of Q1-Q4 of 2020.

The operating profit of the group during the current period amounted to HUF 1,978 million, compared to HUF 227 million during the same period a year earlier.

During the reporting period, the financial result was a loss of HUF 208 million, which includes, among

others, a net interest payment of HUF 59 million, as well as exchange rate losses of HUF 139 million. Profits from the purchase of investment amounted to HUF 4.4 million during Q1-Q4 of 2021, which includes the adjustment for the 24.9 per cent share in Rekard.

Based on the above, the Rába Group generated net profits of HUF 1,272 million in Q1-Q4 of 2021, compared to the loss of HUF 1,030 million during the same period of the previous year.

On the level of EBITDA, the group registered profits of HUF 4,370 million in Q1-Q4 of 2021, against last year's figure of HUF 2,568 million.

The Rába Group – other data and events pertaining to the business activity

Sales revenue by business division

Sales revenue (HUF million)	Axle	Components	Vehicles	Rába Group consolidated
2020 Q1	6 593	3 762	1 764	11 856
2020 Q2	4 140	1 903	1 331	7 358
2020 Q3	4 308	3 024	1 230	8 550
2020 Q4	5 518	3 781	1 721	10 991
2021 Q1	7 177	4 090	854	11 377
2021 Q2	8 079	3 945	362	12 330
2021 Q3	6 075	3 175	286	9 520
2021 Q4	9 208	3 378	775	13 209

Breakdown of the sales revenues for Q1-Q4 of 2021

HUF million	America	EU			CIS	Other	Total
		Total	export	domestic			
Axle	2 649	25 081	19 984	5 098	903	1 906	30 539
Components	8	14 578	7 117	7 461	0	0	14 587
Vehicle	0	2 277	282	1 995	0	0	2 277
Consolidated	2 657	40 969	27 391	13 578	903	1 906	46 436

Operating profit of group companies

	Operating profit									
	2020					2021				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Axle	116	-429	27	292	6	195	450	-295	148	498
Components	82	-462	-67	556	109	229	303	-148	223	607
Vehicle	-397	-99	65	206	-225	-60	67	45	200	252
Other	79	8	40	210	337	35	585	20	-19	621
Total	-120	-982	65	1 264	227	399	1 405	-378	552	1 978

PK2. Companies involved in the consolidation

Company	Share/Issue capital in HUF thousand	Ownership ratio (%)	Voting ratio ¹	Classification ²
Rába Axle Ltd.	9 765 800	100,00	100,00	L
Rába Automotive Components Ltd.	300 000	100,00	100,00	L
Rába Vehicle Ltd.	835 100	100,00	100,00	L
Diagonal Valor Kft. ³	0	100,00	100,00	L

¹Voting right securing participation in the decision-making at the general meeting of the company subject to consolidation.

²Subsidiary (S); Jointly controlled (J); Affiliated (A).

³Diagonal Valor Kft. was merged into Rába Axle Ltd. as from 01. 10. 2020.

PK. 4. CONSOLIDATED PROFIT AND LOSS ACCOUNT ACCORDING TO IFRS

Currency*	HUF	X	EUR	
Unit*	1.000	X	1.000.000	

* Indicate with an X.

Description of item	Q1-Q4 2020	Q1-Q4 2021	Index	Q4 2020	Q4 2021	Index
Domestic sales revenues	11 560 089	13 578 313	117.5%	3 599 798	3 422 407	95.1%
Export sales revenues	27 194 362	32 857 297	120.8%	7 390 814	9 786 381	132.4%
Revenues	38 754 451	46 435 610	119.8%	10 990 612	13 208 788	120.2%
Direct cost of sales	30 722 086	37 616 561	122.4%	8 099 098	10 489 994	129.5%
Gross profit	8 032 365	8 819 049	109.8%	2 891 514	2 718 795	94.0%
Cost of sales and marketing	420 743	426 292	101.3%	103 822	80 498	77.5%
General and administration expenses	6 833 877	7 066 250	103.4%	1 644 778	1 887 496	114.8%
Other revenues	684 209	1 513 799	221.2%	414 575	178 094	43.0%
Other expenditures	1 235 257	862 518	69.8%	293 630	376 697	128.3%
Total other operating expenses	-7 805 668	-6 841 261	87.6%	-1 627 654	-2 166 597	133.1%
Revenue from operations	226 697	1 977 787	872.4%	1 263 860	552 197	43.7%
Financial revenues	580 345	126 750	21.8%	7 885	-971	-12.3%
Financial expenditures	1 480 104	334 370	22.6%	4 021	252 110	6269.2%
Net financial profit/loss	-899 760	-207 620	-23.1%	3 864	-253 081	-6549.6%
Profit from the purchase of subsidiary company	0	0		0	0	
Profit from the purchase of affiliated company	4 000	4 448	111.2%	-7 907	0	0.0%
PROFIT FROM THE PURCHASE OF INVESTMENT	4 000	4 448	111.2%	-7 907	0	0.0%
PROFIT BEFORE TAXATION	-669 062	1 774 616	-265.2%	1 259 817	299 116	23.7%
Profit tax	361 342	502 637	139.1%	121 663	187 778	154.3%
AFTER TAX PROFIT OF CURRENT YEAR	-1 030 404	1 271 978	-123.4%	1 138 154	111 338	9.8%
Basic value of profit per share (HUF)	-77	94				
Diluted value of profit per share (HUF)	-77	94				

1. EARNED REVENUES

During Q1-Q4 of 2021, Rába generated HUF 46,436 million in sales revenue, compared to HUF 38,754 million during the same period of the previous year, which is a change of 19.8 per cent. 70.8 per cent of the revenues in the reporting period came from exports, while the rest came from domestic sales.

2. COSTS AND OTHER REVENUES. EXPENDITURES**2.1. Direct costs**

During Q1-Q4 of 2021, the direct cost level of Rába was 81 per cent compared to 79.3 per cent during the base period. The amount of direct costs was HUF 37,617 million, 22.4 per cent higher than during the base period (Q1-Q4 of 2020: HUF 30,722 million).

Gross profit

The gross profit changed from HUF 8,032 million in the base period to HUF 8,819 million (HUF 787 million), which is due to the increase in sales revenues by HUF 7,681 million and by 6,894 million in direct expenses.

2.2. Cost of sales

The cost of sales increased by 1.3 per cent and amounted to HUF 426 million during Q1-Q4 of 2021, compared to HUF 421 million in Q1-Q4 of 2020.

2.3. General overhead and administrative expenses

Rába accounts under general overhead and administrative expenses (Q1-Q4 of 2021: HUF 7,066

million, Q1-Q4 of 2020: 6,834 million) for its costs incurred in relation to the administration of the company (Q1-Q4 of 2021: HUF 4,183 million) and other general costs (Q1-Q4 of 2021: HUF 2,883 million).

2.4. Other revenues and expenditures

The balance of other revenues and expenditures amounted to a profit of HUF 651 million in Q1-Q4 of 2021 compared to HUF 551 million in losses during the same period of last year.

During Q2, a real estate item was sold, making up a large portion of the profit.

3. OPERATING PROFIT

The operating profit of the Company during Q1-Q4 of 2021 was HUF 1,987 million (Q1-Q4 of 2020: HUF 227 million). The increase in gross profit (HUF 787 million) was improved by the combined change in sales and general overhead costs (HUF -238 million) and the change in the balance of other revenues and expenditures (HUF 1,202 million). Profitability changed from 0.6 per cent during the base period to 4.3 per cent. The profitability of operating profit + depreciation changed from 6.6 per cent during the base period to 9.4 per cent.

4. FINANCIAL REVENUES AND EXPENDITURES

During Q1-Q4 of 2021, the net financial result was a loss of HUF 208 million, compared to the loss of HUF 900 million during the base period.

The net result of interest incomes and expenses was HUF -59 million during Q1-Q4 of 2021 (against HUF -82 million during the base period).

The net exchange rate difference of FX items during Q1-Q4 of 2021 was HUF -139 million (HUF -950 million in the base period).

Financial revenues and expenditures consisted of the following principal items:

in thousand HUF	Q1-Q4 of 2020	Q1-Q4 of 2021
Interest income	8 824	2 153
Exchange rate gains	389 064	124 597
Other financial revenues	182 457	0
Financial revenues	580 345	126 750
Interest payable	90 539	60 702
Exchange rate loss	1 338 757	263 170
Other financial expenditures	50 809	10 499
Financial expenditures	1 480 105	334 370

5. EARNINGS IN THE CURRENT YEAR

The earnings before taxation during Q1-Q4 of 2021 amounted to a profit of HUF 1,272 million, which, because of the factors outlined in sections 1-4. is HUF 2,302 million more than the figure for Q1-Q4 of 2020. The profitability ratio represents a 3,82 per cent return on sales on the basis of profit before taxation, against the level of -1.73 per cent during the base period.

The Group has HUF 503 million in tax liability during the review period. Within that, the corporate tax liability was HUF 87 million, the local business tax liability was HUF 287 million, the innovation supplement amounted to HUF 49 million, and the deferred tax expenditure in the reporting period was HUF 80 million.

PK. 3. STATEMENT OF CONSOLIDATED FINANCES ACCORDING TO IFRS (BALANCE SHEET ACCORDING TO IFRS)

Currency*	HUF	X	EUR	
Unit*	1.000	X	1.000.000	

*Currency and unit indicated with X.

Description of item	31.12.2020	31.12.2021	Index
Real estate. machines. equipment	25 985 667	25 419 834	97.8%
Intangible assets	88 858	41 320	46.5%
Other long-term assets	76 071	432	0.6%
Property for investment purposes	753 952	748 431	99.3%
Other investments	49 027	53 475	109.1%
Deferred tax receivables	25 835	16 422	63.6%
Total invested assets	26 979 410	26 279 915	97.4%
Inventories	5 862 553	9 942 313	169.6%
Accounts receivable and other receivables	5 948 228	7 796 294	131.1%
Profit tax receivable	111 882	0	0.0%
Liquid assets, bank account	3 303 420	1 246 500	37.7%
Total current assets	15 226 083	18 985 107	124.7%
Total assets	42 205 493	45 265 022	107.2%
Registered capital	13 473 446	13 473 446	100.0%
Treasury shares	-108 952	108 952	100.0%
Retained earnings	6 532 641	7 804 619	119.5%
Total equity and reserves	19 897 135	21 169 113	106.4%
Long-term credits and loans	6 207 210	8 253 300	133.0%
Provisions	40 062	40 062	100.0%
Deferred tax liability	143 795	213 356	148.4%
Leasing liabilities	148 708	70 629	47.5%
Total long-term liabilities	6 539 776	8 577 347	131.2%
Provisions	347 368	350 198	100.8%
Profit tax liability	0	41 542	
Leasing liabilities	105 094	105 094	100.0%
Short-term portion of loans and credits	3 505 248	2 127 900	60.7%
Accounts payable and other payables	11 810 872	12 893 828	109.2%
Total short-term liabilities	15 768 582	15 518 563	98.4%
Total equity and liabilities	42 205 493	45 265 022	107.2%

Analysis of principal balance sheet items and their changes**1. INVESTED ASSETS****1.1. Properties. machines and equipment**

The consolidated net value of properties, machines and equipment changed from the closing value of HUF 25,986 million on 31 December, 2020 to HUF 25,420 million. This represents a decrease by 2.2 per cent. The depreciation of fixed assets was HUF 2,392 million in Q1-Q4 of 2021.

In line with the provisions of the IFRS 16 Standard effective from 1 January, 2019, the Company identified assets, forklifts and passenger vehicles in the amount of HUF 357 million, where the lessor let use of the assets to Rába (with an asset value of HUF 248 million on 1 January, 2021, with no purchases during the reporting period). During the reporting period, the depreciation of these assets amounted to HUF 84 million.

1.2. Intangible assets

The net value of intangible assets changed from HUF 89 million to HUF 41 million. This represents a decline by 53.5 per cent. The amount of depreciation accounted during the period was HUF 45

million.

1.3. Other long-term assets

This balance sheet line shows other long-term loans given in the amount of HUF 0.4 million (31 December, 2020: HUF 5 million), as well as long-term advance payments maturing in 2022, thus the amount due within a year has been reclassified under short-term receivables (31 December, 2020: HUF 71 million). The long-term advance payment is the consequence of the partial payment of a long-term liability upon favourable conditions, to be recorded annually in the indirect cost line.

1.4. Property for investment purposes

The book value of real estate for investment purposes at 31 December, 2021 was HUF 748 million, a decline by 0.7 per cent since the base period.

1.5. Investments

In 2019, the Company acquired Diagonal Valor Kft. The definitive identification and valuation as per IFRS of the assets acquired have been completed, thus the purchase of 100 per cent of the business stake is shown under investments. As of 1 October, 2020, the company merged into Rába Axle Ltd. In 2019, Rába Plc. purchased a 24.9 per cent stake in Rekard Hajtómű és Gépgyártó Kft., shown under the balance sheet line "other investments".

1.6. Deferred tax receivables

The amount of receivable was HUF 25 million on 31 December, 2021, HUF 10 million less than during the base period.

2. CURRENT ASSETS

2.1. Inventories

On 31 December, 2021, the closing value of stocks was HUF 9,942 million (31 December, 2020: HUF 5,863 million). The change is an increase by HUF 4,079 million. The components of the change are: an increase in materials and goods by HUF 2,827 million and an increase in unfinished, semi-finished and finished goods by HUF 1,252 million.

2.2. Accounts receivable and other receivables

The closing figure of receivables as at 31 December, 2021 was HUF 7,796 million, an increase by HUF 1,848 million compared to the 31 December, 2020 figure (closing figure for 31 December, 2020: HUF 5,948 million). Accounts receivable increased by HUF 1,169 million, advances paid for investment and inventories decreased by HUF 80 million and other receivables also increased by HUF 759 million.

2.3. Profit tax receivables

At the end of the quarter, the Group had no profit tax receivables.

On 31 December, 2020, the Group had HUF 112 million in profit tax receivables, within which the corporate tax receivables amounted to HUF 77 million and the local trade tax receivable was HUF 42 million and the innovation supplement was a liability of HUF 7 million.

2.4. Liquid assets

The closing figure of liquid assets on 31 December, 2021 was HUF 1,247 million, HUF 2,056 million less than on 31 December, 2020 (HUF 3,303 million).

3. EQUITY AND RESERVES

The change occurred as follows:

in HUF thousand

	Share capital	Treasury shares	Reserve from share-based payments	Retained earnings	Other aggregate income	Total shareholders' equity
Balance as at 01 January, 2020	13 473 446	-108 952	0	7 832 514	0	21 197 008
Profit for current year				-1 030 404		-1 030 404
Dividend payment				-269 469		-269 469
Balance as at 01 January, 2021	13 473 446	-108 952	0	6 532 641	0	19 897 135

Profit for current year				0	1 271 978	1 271 978
Balance as at 31 December, 2021	13 473 446	-108 952	0	6 532 641	1 271 978	21 169 113

3.1. Registered capital

RÁBA Plc.'s share capital consists of common shares with a nominal value of HUF 1.000 each, entitling the shareholders to the dividend announced in a particular period, and providing one vote at the General Meeting of the Company. On 31 December, 2021, the share capital of the Company was HUF 13.473 million.

3.2. Treasury shares

On 31 December, 2021, the value of treasury shares was HUF 108.952 thousand (120.681 shares), with no changes since 31 December, 2020. All rights related to the shares of the Company owned by the Group ("treasury shares") are suspended until the renewed issue of the shares in question.

3.3. Retained earnings

The retained earnings (HUF 7,805 million) changed by HUF 1,272 million, i.e. the profit for the reporting year compared to the closing value for the previous year (HUF 6,533 million).

4. LONG-TERM LIABILITIES

4.1. Long-term credits and loans, leasing liabilities

The closing value of long-term credits and loans as at 31. December, 2021 amounted to HUF 8,253 million, which was 33 per cent higher than the opening balance of the period (on 31. December, 2020, the closing figure was HUF 6,207 million).

On 1. January, 2021, the Company had long-term leasing liabilities of HUF 149 million and short-term leasing liabilities of HUF 105 million in the context of the leasing contracts identified in line with the provisions of the new IFRS 16 leasing standard. Leasing liabilities declined by HUF 78 million during the reporting period compared to the base period.

4.2. Provisions

The closing value of provisions as at 31 December, 2021 was HUF 390 million, of which HUF 40 million is long-term.

4.3. Deferred tax liability

On 31 December, 2021, the Company had deferred tax liabilities in the amount of HUF 213 million, which is HUF 69 million more than the amount on 31 December, 2020.

5. SHORT-TERM LIABILITIES

5.1. Short-term credits and loans

The total amount of short-term credits and loans of HUF 2,128 million is 39.3 per cent lower compared to the closing value at the 31 December 2020 (HUF 3,505 million). Short-term leasing liabilities amounted to HUF 105 million, no change compared to 31 December, 2020.

The net borrowing of the Rába Group was HUF 9,135 million on 31 December, 2021, an increase by HUF 2,726 million compared to the level as at 31 December, 2020.

5.2. Provisions

The short-term portion of provisions amounted to HUF 350 million on 31 December, 2021, which is HUF 3 million higher than the amount on 31 December, 2020.

5.3. Profit tax liability

At the end of Q1-Q4, the Group had profit tax liabilities. On 31 December, 2021, the profit tax liability amounted to HUF 42 million, of which the local trade tax liability represented HUF 7 million and the innovation charge liability was HUF 8 million.

5.4. Accounts payable and other short-term liabilities

On 31 December, 2021, the amount of accounts payable and other short-term liabilities was HUF

12,894 million, which is 9.2 per cent higher than the closing value as at 31 December 2020 (HUF 11,811 million). Accounts payable increased by HUF 1,410 million, passive accruals declined by HUF 538 million and other liabilities also increased by HUF 211 million.

PK 5. CONSOLIDATED CASH-FLOW STATEMENT

Data in HUF thousand

	31.12.2020	31.12.2021
Cash-flows from operating activities		
Profit before taxation	-669 062	1 774 616
<i>Adjustment items related to items with no cash movement:</i>		
Interest income	-8 824	0
Interest expenditure	90 539	-20 510
Depreciation and amortisation	2 333 885	2 392 399
Impairment of intangible assets. properties machines and equipment	231 498	38 760
Impairment of bad and doubtful receivables and of long term receivables	12 760	48 615
Impairment of stocks kept at net realisable value	425 717	273 396
Impairment of property for investment purpose	54 694	0
Scrapping of stocks	94 299	155 834
Provisions / (release)	-21 145	2 830
Result from the sale of real estate machinery and fixtures and intangible assets	-8 181	-828 811
Profit from the purchase of subsidiary and affiliated company	-4 000	- 4 448
Revaluation of loans and credits at end of period	660 531	197 222
<i>Changes in working capital:</i>		
Changes in trade and other receivables	526 686	-1 896 681
Changes in stocks	1 268 673	-4 508 321
Changes in accounts payable and other liabilities	1 005 425	1 258 683
Taxes paid	-394 038	-311 780
Interests paid	-58 820	-40 192
Net cash flows from operating activity	5 540 637	-1 468 388
Cash-flows from investment activities		
Purchase of real estate, machinery and fixtures. as well as of intangibles	-3 091 472	-4 047 314
Revenues from the sale of real estate, machinery and fixtures as well as intangible asses	8 443	3 063 189
Increase in investments	0	0
Interests received	8 824	2 153
Net cash flows used for investment activities	-3 074 205	-981 972
Cash flows from financing activities		
Loans and credits received	5 012 922	6 712 437
Loans and credits and leasing repayment	-4 710 975	-6 318 996
Dividend paid	-269 469	0
Net cash flows from financing activities	32 478	393 441
Net increase/decrease of cash and cash equivalents	2 498 910	-2 056 919

BASIS FOR THE INTERIM FINANCIAL REPORT

The summary consolidated interim financial report prepared in accordance with IAS 34 Directive (on Interim Financial Reporting) should be read in conjunction with the financial report for the year ended 31 December, 2020, prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Body ("IASB") and adopted by the European Union. The consolidated interim financial report is an unaudited report. Rába Plc. published its statutory accounts for the year ended 31 December, 2020 on the official electronic portal of the Budapest Stock Exchange and on the information system operated by the National Bank of Hungary for stock market publications. This report for 31 December, 2020 is based on audited figures and the auditor issued an unqualified opinion.

PK6. Major off-balance sheet items

Description	Value (HUF)
According to a separate list*	

* The bank loans of the Rába Group amount to HUF 10,381 million, of which the loans secured with liens and mortgages on movable assets and real property amount to HUF 9,485 million.

The amount of bank guarantees issued on behalf of the Rába Group is HUF 3,178 million.

RS1. Ownership structure. ratio of participation

Description of ownership	Total equity						Series listed ¹			
	Beginning of current year (01 January)			End of term (31 December)			Begin- ning of period		End of period	
	% ²	% ³	pcs	% ²	% ³	pcs	%	pcs	%	pcs
Domestic institutional/corporate	4.34	4.38	584 606	23.32	23.53	3 142 063				
Foreign institutional/corporate	0.96	0.97	129 121	0.95	0.96	127 806				
Foreign private individual	0.07	0.07	8 832	0.06	0.06	7 499				
Domestic private individual	19.16	19.33	2 581 003	20.27	20.45	2 730 422				
Employees. leading officials	0.13	0.13	17 074	0.06	0.06	7 535				
Treasury shares	0.90		120 681	0.90		120 681				
Shareholder forming part of general government ⁴	74.46	75.13	10 032 129	54.46	54.95	7 337 440				
International Development Institutions ⁵	0.00	0.00	0	0.00	0.00	0				
Other ⁶	0.00	0.00	0	0.00	0.00	0				
TOTAL	100.00	100.00	13 473 446	100.00	100.00	13 473 446				

¹ If the listed series equals the total share capital and it is indicated, there is no need to fill it in. If more than one series are listed at the Stock Exchange, the ownership structure must be specified for each series.

² Ownership ratio

³ Voting right ensuring participation during the decision-making process at the general meeting of shareholders of the issuer. If the ownership ratio and the voting right are the same, only the column regarding the owner needs to be filled in/published while stating such fact.

⁴ E.g.: MNV Zrt., Social Security, Local Government, 100% state-owned companies, etc.

⁵ E.g.: EBRD, EIB, etc.

RS3. List and introduction of shareholders with a stake exceeding 5%

Name	depository (yes/no)	Quantity (pcs)	Share (%)
National Defence Industry Innovation Ltd.	no	7 321 140	54.34
Foundation for Széchenyi István University	no	2 694 689	20.00
Total		10 015 829	74.34

RS2. Changes in the number of treasury shares during the current year (pcs.)

	1 January		31 March		30 June		30 September		31 December	
	pcs	%	pcs	%	pcs	%	pcs	%	pcs	%
At corporate level	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9
Subsidiaries ¹	-	-	-	-	-	-	-	-	-	-
Total	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9

¹ Consolidated companies

All of the shares repurchased are directly owned by the parent company.

TSZ1. Headcount of full-time employees (people)

	End of base period	Beginning of current year	End of current period
At corporate level	29	29	34
At group level	1 173	1 173	1 311

The consolidated closing headcount as at 31 December, 2021 was 1,311. The increase in headcount is 11.8 per cent compared to the end of the base period.

TSZ2. Managing executives. strategic employees

Type ¹	Name	Position	Beginning of mandate	End/ termination
BD	Béla Hetzmann	Chairman of the BD	2020	
BD	Dr. Ibolya Virág Csernák Bánóczy	Board member	2019	2021
BD	Dr. Nóra Csüllög	Board member	2020	
BD	Dr. Károly Szász	Board member	2021	
BD	László Jakab	Board member	2021	
BD	Éva Lang-Péli	Board member	2020	
BD	János Major	Board member	2019	2021
BD	Csaba Majoros	Board member	2020	
BD	Dániel Emanuel Mráz	Board member	2020	
BD	István Pintér	Chairman of the Board	2005	2020
BD	Roland Sebők	Board member	2019	2020
BD	Dr. András Ákos Tóperczer	Board member	2020	2020
BD	Dr. Tamás Tóth	Board member	2019	2020
BD	György Wáberer	Board member	2012	2020
BD	Dr. Ákos Mátyás Pálvölgyi	Board member	2019	2020
SB	István Lepsényi	Chairman of the Supervisory Board	2020	
SB	Dr. Zsolt Harmath	SB member	2016	
SB	Dr. Sándor József Szabó	SB member	2020	
SB	Dr. Zoltán Lajos Pafféri	Chairman of the SB	2018	2020
SB	Dr. Tünde Kanta	SB member	2017	2020
SP	Béla Hetzmann	Chief Executive Officer	2021	
SP	István Pintér	Chief Executive Officer	2003	2021
SP	Éva Lang-Péli	Chief Financial Officer	2021	
SP	Zoltán Váradi	Chief Financial Officer	2021	2021
SP	Béla Balog	Chief Financial Officer	2004	2021
SP	Roland Fehér	Technical Director	2021	
SP	Ádám Steszli	HR and Controlling Director	2014	
SP	Roland Fehér	Managing Director	2021	
SP	István Pintér	Managing Director	2004	2021
SP	László Urbányi	Managing Director	2005	
SP	János Torma	Managing Director	2005	

¹ Employee in a strategic position (SP), Member of the Board of Directors (BD), Supervisory Board Member (SB), Member of the Managing Board (MB).

EVENTS FOLLOWING THE CLOSING DATE

Of the property to be sold via public auction announcement on 05 October, 2021, the property at Győr, Kiskút út 52., (Győr 5780 hrsz.), classified as residential property and the property at Kapuvár, Győri út (Kapuvár 1333/1 hrsz., 1333/2 hrsz., 1333/5 hrsz.), classified as industrial property have been successfully sold.

As from 1 January, 2017, Rába Plc's individual financial accounts are also drawn up in accordance with the provisions of the IFRS.

RÁBA PLC. (INDIVIDUAL) BALANCE SHEET (IFRS)

Data in HUF thousand

Description of item	31 December, 2020	31 December, 2021	Index
Property. machinery. equipment	6 975 315	6 559 400	94.04%
Intangible assets	7 897	3 452	43.71%
Other long-term assets	1 456 850	1 456 850	100.00%
Real estate for investment	753 952	748 432	99.27%
Subsidiary investments	10 567 419	10 567 418	100.00%
Other investments	49 027	53 475	109.07%
Deferred tax receivable	17 193	28 028	163.02%
Total invested assets	19 827 653	19 417 055	97.93%
Inventories	9 679	9 850	101.77%
Trade and other receivables	332 701	1 378 681	414.39%
Profit tax receivables	0	0	
Cash and cash equivalents	1 836 278	928 753	50.58%
Total current assets	2 178 658	2 317 284	106.36%
TOTAL ASSETS	22 006 311	21 734 339	98.76%
Registered capital	13 473 446	13 473 446	100.00%
Treasury shares	-108 952	-108 952	100.00%
Retained earnings	1 618 179	2 133 152	131.82%
Total equity and reserves	14 982 673	15 497 646	103.44%
Provisions	0	0	
Long-term credits and loans and leases	23 151	7 328	31.65%
Total long-term liabilities	23 151	7 328	31.65%
Provisions	138 247	166 857	120.69%
Short-term portion of loans and credits	0	0	
Accounts payable and other liabilities	6 862 240	6 062 508	88.35%
Total short-term liabilities	7 000 487	6 229 365	88.98%
TOTAL EQUITY AND LIABILITIES	22 006 311	21 734 339	98.76%

RÁBA PLC. (INDIVIDUAL) PROFIT AND LOSS STATEMENT (IFRS)

Data in HUF thousand

Description	Q1-Q4 2020	Q1-Q4 2021	Index	Q4 2020	Q4 2021	Index
Sales revenues	1 958 941	2 048 593	104.6%	523 840	555 026	106.0%
Direct costs of sales	385 303	479 504	124.4%	92 705	140 872	152.0%
Gross profit	1 573 638	1 569 089	99.7%	431 135	414 154	96.1%
Sales and marketing costs	382	3 210	840.3%	0	281	
General overhead costs	1 241 242	1 607 204	129.5%	344 130	418 452	121.6%
Other revenues	107 697	836 911	777.1%	50 249	18 371	36.6%
Other expenditures	208 441	198 547	95.3%	23 913	55 918	233.8%
Other operating expenditures total	-1 342 368	-972 050	72.4%	-317 794	-456 280	143.6%
Operating profit	231 270	597 039	258.2%	113 341	-42 126	-37.2%
Financial income	182 745	81 167	44.4%	68 081	-3 307	-4.9%
Financial expenditures	324 655	120 613	37.2%	43 040	36 367	84.5%
Net financial income	-141 910	-39 446	27.8%	25 041	-39 674	-158.4%
Revenue from the purchase of affiliated company	4 000	4 448	111.2%	-7 907	0	0.0%
PROFIT BEFORE TAXATION	93 360	562 041	602.0%	130 475	-81 800	-62.7%
Profit Tax	23 879	47 062	197.1%	9 145	-1 891	-20.7%
PROFIT OF CURRENT YEAR	69 481	514 979	741.2%	121 330	-79 909	-65.9%
TOTAL AGGREGATE PROFIT/LOSS OF CURRENT YEAR	69 481	514 979	741.2%	121 330	-79 909	-65.9%
EBITDA	507 122	870 933	171.7%	182 900	19 866	10.9%

SEGMENT INFORMATION

From a business perspective, the Group can be split into three main segments: Axles, Vehicles and Automotive Components.

It is on the basis of these business segments that the Group prepares segment information for the management. Management is responsible for assigning resources to the segments, as well as for holding the segments accountable for their performance.

The Axle segment encompasses the production and sale of axles, axle parts and axle components, the Vehicle Segment is responsible for the manufacturing of truck and bus chassis and the related components, as well as for the assembly and sale of vehicles, while the Automotive Components Segment is responsible for the production of vehicle components, seat frames, pressed structures, as well as truck chassis and for the sewing of seat covers and for the sale of these products.

As from January 2021, the following activities have been transferred from the Vehicle segment to the Axle segment: manufacturing of truck and bus chassis and the related components.

Segment results, segment assets and segment liabilities include items that can be directly attributed to the given segment. General overhead items include the revenues, expenditures, assets and liabilities of the holding headquarters.

Capital expenditures of the segment include the total expenditures during the period expended upon real estate, machinery and equipment, as well as intangible assets.

	Q1-Q4 2020						Q4 2020					
	Axles IFRS	Vehicles IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated	Axles IFRS	Vehicles IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated
Revenues	20,216,000	5,851,371	12,020,602	666,479	0	38,754,452	5,461,258	1,656,929	3,722,334	150,092	0	10,990,613
Inter-segment revenues	342,096	194,271	449,984	1,292,462	-2,278,814	-1	56,415	63,721	59,163	355,302	-534,602	0
Total revenue from sales	20,558,096	6,045,642	12,470,586	1,958,941	-2,278,814	38,754,451	5,517,673	1,720,650	3,781,497	505,395	-534,602	10,990,613
Direct cost of sales	-16,658,586	-5,138,489	-10,116,936	-385,303	1,577,227	-30,722,086	-4,292,823	-1,388,867	-2,664,418	-92,704	339,713	-8,099,099
GROSS PROFIT	3,899,510	907,153	2,353,651	1,573,638	-701,587	8,032,365	1,224,849	331,783	1,117,080	412,690	-194,890	2,891,514
Sales and marketing costs	-277,256	-129,676	-145,302	-382	131,873	-420,743	-65,572	-31,630	-44,128	0	37,508	-103,822
General overhead costs	-3,572,844	-848,061	-1,744,330	-1,241,242	572,601	-6,833,877	-883,833	-209,460	-380,497	-340,527	169,539	-1,644,778
Other revenues	293,291	122,953	43,247	107,697	117,022	684,210	156,809	82,781	22,069	-22,017	174,935	414,577
Other expenditures	-336,306	-277,470	-398,624	-208,441	-14,416	-1,235,257	-139,477	32,477	-158,453	-13,399	-14,776	-293,628
TOTAL OTHER OPERATING EXPENDITURES	-3,893,114	-1,132,255	-2,245,009	-1,342,369	807,080	-7,805,666	-932,073	-125,832	-561,009	-375,944	367,206	-1,627,652
REVENUE FROM OPERATIONS	6,396	-225,102	108,641	231,269	105,493	226,698	292,776	205,951	556,071	36,747	172,317	1,263,862
Interest income	8,703	18,807	5,871	55,076	-79,633	8,824	7,744	4,058	1,427	39,705	-49,470	3,464
Interest expenditure	-48,809	-19,560	-14,667	-44,704	37,200	-90,539	-11,069	-3,751	-2,820	-11,804	7,037	-22,407
Profit tax expenditure	-195,217	-27,031	-115,215	-23,878	0	-361,342	-99,107	14,444	-31,209	-5,791	0	-121,663
Assets												
Real estate, machinery and equipment	14,829,671	1,961,894	2,198,543	6,975,315	20,244	25,985,667	-159,941	9,695	-88,215	-56,489	9,536	-285,413
Intangible assets	48,733	26,590	5,637	7,897	0	88,858	-7,713	-2,936	210	-1,222	0	-11,661
Real estate for investment	0	0	0	753,952	0	753,952	0	0	0	-54,695	0	-54,695
Other long-term assets	66,512	5,596	3,962	1,456,850	-1,456,850	76,071	-5,801	-825	-581	39,216	-42,433	-10,425
Inventories	3,978,381	736,542	1,161,307	9,679	-23,356	5,862,553	-445,385	-116,664	-206,624	-2,129	12,174	-758,627
Receivables	5,330,589	4,774,237	2,247,673	332,701	-6,736,971	5,948,228	947,779	554,384	-138,286	-2,569,699	391,197	-814,626
Cash and cash equivalent	1,409,776	17,093	40,274	1,836,278	-1	3,303,420	748,354	13,009	36,107	288,358	0	1,085,828
Liabilities												
Provisions	66,994	91,273	161,759	0	3	387,430	-4,398	-68,854	106,469	0	0	-82,432
Liabilities	7,134,258	1,605,014	3,033,976	6,931,067	-6,788,349	11,915,966	1,386,846	313,137	266,029	1,848,673	339,818	1,380,811
Capital expenditures	2,590,705	369,264	266,266	1,458,254	0	4,684,489	96,498	49,884	28,250	-355	0	174,277
Depreciation	1,251,449	344,815	467,007	275,852	1,727	2,340,850	331,287	90,332	113,256	66,999	17	601,889

	Q1 – Q4 2021						Q4 2021					
	Axles IFRS	Vehicles IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated	Axles IFRS	Vehicles IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated
Revenues	30,157,749	1,525,159	13,959,406	793,295	0	46,435,609	9,103,831	749,938	3,173,656	181,363	0	13,208,788
Inter-segment revenues	381,091	752,250	627,534	1,255,298	-3,016,172	0	104,346	24,674	204,252	373,664	-706,935	0
Total revenue from sales	30,538,841	2,277,408	14,586,939	2,048,593	-3,016,172	46,435,609	9,208,177	774,612	3,377,908	555,026	-706,935	13,208,788
Direct cost of sales	-25,845,888	-1,817,076	-11,996,548	-479,504	2,522,455	-37,616,561	-7,696,683	-544,140	-2,699,874	-140,872	591,575	-10,489,994
GROSS PROFIT	4,692,953	460,332	2,590,391	1,569,089	-493,717	8,819,048	1,511,495	230,472	678,034	414,154	-115,361	2,718,794
Sales and marketing costs	-375,547	-22,612	-166,357	-3,210	141,433	-426,292	-76,417	-7,520	-37,621	-281	41,341	-80,498
General overhead costs	-4,037,067	-117,230	-1,686,733	-1,607,204	381,985	-7,066,250	-1,178,596	-48,025	-339,943	-418,453	97,521	-1,887,496
Other revenues	652,807	68,321	52,697	836,912	-96,938	1,513,799	101,756	47,753	10,377	18,371	-164	178,094
Other expenditures	-435,504	-136,591	-183,029	-198,547	91,153	-862,519	-210,802	-22,212	-87,928	-55,918	164	-376,698
TOTAL OTHER OPERATING EXPENDITURES	-4,195,311	-208,112	-1,983,422	-972,049	517,632	-6,841,261	-1,364,059	-30,004	-455,115	-456,281	138,862	-2,166,597
REVENUE FROM OPERATIONS	497,641	252,220	606,970	597,039	23,916	1,977,787	147,436	200,468	222,918	-42,126	23,501	552,197
Interest income	4,300	32,903	5,190	39,072	-79,312	2,153	2,625	18,285	2,620	25,805	-47,281	2,055
Interest expenditure	-42,653	-8,767	-15,984	-72,609	79,312	-60,701	-19,798	-135	-7,240	-38,653	47,281	-18,544
Profit tax expenditure	-228,032	-41,947	-185,596	-47,061	0	-502,634	-115,780	-15,091	-58,796	1,891	0	-187,775
Assets												
Real estate, machinery and equipment	16,415,040	47,937	2,376,653	6,559,405	20,797	25,419,834	-143,325	-78,032	95,429	-4,536	-11,114	-141,577
Intangible assets	34,216	1,820	1,831	3,452	0	41,320	-9,175	-178	-10,595	-1,068	11,252	-9,764
Real estate for investment	0	0	0	748,431	0	748,431	0	0	0	-4,852	0	-4,852
Other long-term assets	448	-16	0	1,456,850	-1,456,850	432	-46,005	-4,209	-991	0	-1	-51,205
Inventories	7,728,804	21,499	2,182,155	9,851	5	9,942,313	-376,718	-47,965	-16,244	-55,565	23,361	-473,130
Receivables	6,323,757	4,229,540	3,050,751	1,378,681	-7,186,436	7,796,294	1,406,221	377,829	79,845	-209,993	-566,946	1,086,957
Cash and cash equivalent	146,896	25,867	144,984	928,753	0	1,246,500	-48,250	-2,932	-59,250	-14,366	1	-124,796
Liabilities												
Provisions	43,500	50,843	129,059	166,857	2	390,260	-4,000	-40,431	3,210	114,357	-1	73,135
Liabilities	11,175,190	333,722	2,695,894	6,031,930	-7,237,814	12,998,922	1,222,046	52,668	-160,657	468,988	-566,945	1,016,100
Capital expenditures	3,356,921	26,644	702,606	245,653	0	4,331,824	0	0	0	0	0	0
Depreciation	1,646,530	40,832	437,481	273,894	-6,338	2,392,399	411,470	9,872	111,743	61,993	-138	594,939

PK1. General information pertaining to the financial data

	Yes	No	
Audited	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Consolidated	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Accounting principles	Hungarian <input type="checkbox"/>	IFRS <input checked="" type="checkbox"/>	Other <input type="checkbox"/>

Other:

Declaration of liability

We, the undersigned, authorised signatories of the Company, hereby declare that the data and statements contained in the quarterly report are true and accurate. The report reflects the true and fair value of the Company's assets, liabilities, financial position, profit and loss, as well as of the situation, development and performance of the business and also describes the main risks and factors of uncertainty. The Company does not conceal any fact that is important for assessing its financial and economic position.

Győr, 23 February, 2022

Béla Hetzmann
Chairman - Chief Executive Officer

Éva Lang-Péli
Chief Financial Officer