

# Report on the Results of Rába Plc. in Q1 of 2021

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

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Sector:	Machine industry
Period:	Q1 of 2021
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## MANAGEMENT REPORT

### MAIN RESULTS OF THE COMPANY

- The first months of 2021 were characterised by fundamentally favourable economic trends in the key segments of the heavy truck market, which had a positive impact on sales volumes. Contrary to the increase in market activities within the sector of heavy trucks, the segments of community transport vehicles and of special off-highway applications experienced a substantial decline in demand, whereas the market of passenger vehicles stagnated compared to the base period. As the combined result of the different and high-volatility market movements of the various product segments, Q1 of 2021 was characterised by a 4.0 per cent decline in sales at group level, to which the Axle and the Components business units contributed 8.9 and 8.7 per cent growth respectively, while the Vehicle business unit contributed a decline by 51.6 per cent. The sales figures of the Vehicle business unit were fundamentally influenced 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. 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 2.5 per cent, and in the EUR, representing a more substantial portion of FX sales, there was an increase by 6.5 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 means a substantial increase in delivery lead times and 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 The relaunch of steel manufacturing capacities operated only partially for various company-specific reasons or withdrawn from production during the COVID-19 pandemic, is done in a phased fashion only.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 is further deteriorated by the fundamental changes in supply and demand relations on the world market and in the Chinese trading position. As a result of the above, the steel market has, since November 2020, been characterised by steadily growing prices, triggering various degrees (35%-100%, May, 2021) of base material price increase on the world market, which is reflected in metal products to varying extent, depending on their complexity. 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, with orders fixed in the longer-term. These two facts, namely that until May of 2021 base material prices have shown a steady increasing tendency and that the cost increase can be passed on to the customers with a time delay only, have a negative impact on the profit positions and margins of the group of companies in Q1 and Q2 of 2021.
- Besides the volatile sales turnover, there was substantial cost pressure exerted on the production activity: energy prices steadied at a high level, continuously increasing wages and a drastic increase in steel prices were felt. In spite of the drastic price pressure, the gross margin level in Q1 of 2021 declined by 1.0 percentage points only, reaching 19.8 per cent. Thus, the gross profit in Q1 of 2021 still exceeded HUF 2 billion, amounting to HUF 2,250 million.
- The balance of other revenues and expenditures amounted to HUF 42 million in losses during the review period, against the loss of HUF 349 million during the same period of the previous

year. The profit of other activities during the base period included an unplanned write-off in the amount of HUF 296 million due to the unsustainability in accounting terms of the Ministry of Defence capacities.

- The two key elements of the crisis-management strategy introduced in 2020 are increasing flexible adaptation and reducing administrative costs through efficiency improvements. The significant environmental changes manifest in 2021 on both customer and supplier side, continue to highlight the importance of flexibility and integrity, as well as of the efficiency of administrative activities. Continuing the implementation of crisis measures, in Q1 of 2021 we managed to cut administrative and general overhead costs by HUF 427 million, which contributed to a substantial improvement in operating profit for all of our businesses in terms of both volume and effectiveness. The operating profit of the Axle business unit, the business unit with the highest production volume increased by 68.1 per cent, the operating profit of the Components business unit increased drastically, by 179.3 per cent over the base period, whereas the operation of the Vehicle business unit was 84.9 per cent more profitable. In total, the group-level operating profit amounted to HUF 399 million, upon a substantial increase in Q1 of 2021.
- In terms of cash generating efficiency, the positive impacts of the crisis management measures are even more pronounced: EBITDA-level profitability is at the level of the industry average, in spite of drastically increasing base material prices. The cash generating efficiency of 8.9 per cent, achieved upon a considerable efficiency improvement by 5.1 per cent resulted in HUF 1,013 million of group-level EBITDA in Q1 of 2021. The considerable cash generating efficiency was manifest in the case of the two key production divisions as well: the Axle business unit achieved profits of HUF 614 million, through a 49.4 per cent increase in EBITDA, while the Components business unit grew by 63.9 per cent, generating HUF 337 million in EBITDA-level profits.
- The financial result in Q1 of 2021 amounted to HUF 66 million, compared to the loss of HUF 635 million generated during the same period of the previous year. The financial performance was influenced by the realised exchange rate gain by HUF 87 million and the net interest burden of HUF 17 million.
- The total aggregate income and profit for Q1 of 2021 amounted to HUF 364 million.
- In Q1 of 2021, the liquidity position was characterised by a stable liquidity position and HUF 7.1 billion in net debts. The net borrowings declined by HUF 886 million compared to the same period of 2020, which is the result of the profitable operating activities, the working capital increase by HUF 746 million and the investment expenditures. The revaluation, due to exchange rate fluctuation, of loans, worth HUF 36 million not involving cash movements, also contributed to the decline in net borrowings.
- The shareholder's equity decreased by 0.4 per cent compared to the same period of the previous year. The shareholder's equity per share reached HUF 1.504/share.

thousand HUF	Q1 2020	Q1 2021	Change
Sales revenue	11 856 038	11 376 736	-4.0%
Gross profit	2 466 501	2 250 311	-8.8%
<i>Gross margin</i>	20.8%	19.8%	-1%p
EBITDA	449 577	1 013 070	125.3%
<i>EBITDA level</i>	3.8%	8.9%	5.1%p
Operating profit	-119 637	398 578	433.2%
Net financial profit/loss	-635 471	66 185	110.4%
Profit after tax for the current year	-852 942	363 708	142.6%
Total comprehensive income	-852 942	363 708	142.6%

## GOAL AND STRATEGY OF THE BUSINESS

"Rába started out this year once again proving to be a financially stable company, which could successfully rely on its strategic partnerships, further strengthened market positions and the results of its consistent efficiency improvement measures even in the midst of a crisis. In addition to the still encouraging market outlook, our goal is to build a strategy for a 21st century company, the three main pillars of which we have identified. On the one hand, we strive to modernize manufacturing, develop technology and provide quality service to our customers. On the other hand we also focus on optimizing and streamlining our infrastructure and operational processes, and, thirdly, we will place great emphasis on business development, building new partnerships, and establishing technological cooperations." – said Béla Hetzmann, Chairman-CEO of Rába Plc.

## BUSINESS ENVIRONMENT OF THE ENTERPRISE

- During the first months of 2021, there was a substantial demand for shipping industrial raw materials and goods, as a result of the increased economic activity. This has led to the increase of vehicle purchase prices and shipping charges due to the scarce shipping capacities. Thus, further positive trends are expected in terms of the demand during the coming period on the market of heavy trucks because of the economic activity. As a result of scarce capacities in a wide range of areas, the increase in demand will be felt in the entire supply chain, in all likelihood. Thus, positive expectations regarding profitability because of the increasing purchase prices are not justified on all levels of the supply chain. In such economic situations, a high level of integrity is a key factor of profitability.
- In Europe, the heavy truck market saw a substantial increase by 15.1 per cent compared to Q1 of 2020. The base period was fundamentally marked by general economic recession and to a lesser extent by the initial economic impacts of the COVID-19 pandemic. Sales volume on the North American heavy truck market exceeded the levels of the previous year by 13.9 per cent. There was no tangible increase in demand for Rába's agricultural products, sales volume was slightly, by 2.8 per cent below the level of the same period in 2020. The volume increase on the Russian truck market was in line with international trends, the market increase amounted to 11.6 per cent in Q1 of 2021. However, the market of new buses declined significantly, by 26 per cent compared to the levels of the previous year. The market of European passenger vehicles was characterised by stagnation in Q1 of 2021, the registration of new vehicles only slightly, by 0.9 per cent exceeded the value of the base period a year earlier.
- In Q1 of 2021, the considerable economic activity and the scarce capacities resulted in a drastic change in the trends of steel prices: the price of steel, continuously declining since the beginning of 2018, albeit with varying volatility, showed a considerable growth during the review period. The price increase of 15.8 per cent experienced compared to Q4 of 2020 practically equalled the continuous price drop over the past two years. Thus, the increase in average steel prices on a year/year basis was 14.6 per cent in Q1 of 2021.
- Human resource costs increased further in Q1 of 2021. Operational efficiency improvement, used to cover the steady increase in wages, is an increasing challenge for the Company.
- In terms of the third dominant cost element, energy costs, purchase prices stabilised at a high level: the average energy prices in Q1 of 2021 were 0.2 per cent below the base level and only 1.4 per cent below the highest average energy price level of the past decade.
- With regard to the exchange rate environment, the exchange rate of the USD, representing a lesser proportion in the FX turnover of the company saw a decline by 2.5 per cent, the EUR, representing more substantial weight in the FX turnover saw an increase by 6.5 per cent compared to the levels of the previous year.<sup>1</sup>

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

	Q1 2020	Q1 2021	Change
EURHUF – average	339.1	361.1	6.5%
EURHUF – end of period	359.1	363.7	1.3%
USDHUF – average	307.5	299.7	-2.5%
USDHUF – end of period	327.1	309.7	-5.3%
Changes in raw material prices*	107%	123%	14.6%
Changes in wage costs**	376.3	412.7	9.7%
Changes in energy prices**	211%	210%	-0.2%

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

\*\*HCSO national average gross wage (th HUF/month) – based on average of months 01 and 02

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

## SUMMARY OF RESULTS DURING THE REVIEW PERIOD

### Rába Axle Ltd.

The sales revenue of Rába Axle Ltd. in Q1 of 2021 amounted to HUF 7.2 billion compared to HUF 6.6 billion achieved during the base period of 2020. This corresponds to an increase by 9.1 per cent.

On the **American market** the sales revenue in the reporting period was USD 1.0 million, compared to the USD 3.2 million in Q1 of 2020. This corresponds to a decrease of 68.8 per cent.

On the **EU market** Rába Axle Ltd's sales figures in HUF terms increased by 33.3 per cent, amounting to HUF 5.8 billion, compared to HUF 4.3 billion during the base period.

**European exports** in Q1 of 2021 exceeded the level of the same period a year earlier by 33.6 per cent, amounting to EUR 12.5 million, compared to EUR 9.4 million in Q1 of 2020. Sales figures were fundamentally influenced by the transfer of the production of the civilian applications of the Vehicle business unit from the Vehicle business unit to the activities of the Axle business unit, in consequence of the crisis measures implemented in 2020.

**Domestic sales** before consolidation amounted to HUF 1,237 million, which represents an increase by 9.5 per cent compared to the HUF 1,130 million of the base period.

On the **CIS and East-European** markets the export sales revenues achieved by Rába Axle Ltd. in Q1 of 2021 were 83.0 per cent lower than the base period in 2020, decreasing from EUR 2.4 million to EUR 0.4 million.

In the **other** markets. the sales revenue during the reporting period amounted to EUR 2.7 million, which was 107.7 per cent above the EUR 1.3 million turnover of the 2020 base period.

The operating result of the Company in Q1 of 2021 was a profit of HUF 195 million, compared to HUF 116 million in profits during the same period of the previous year.

At EBITDA level, the operating profit of the Axle business division was HUF 614 million compared to HUF 411 million registered a year earlier.

million HUF	Q1 2020	Q1 2021	Change
America	1 015	305	-70.0%
EU - export	3 195	4 531	41.8%
EU - domestic	1 130	1 237	9.5%
CIS	808	146	-81.9%
Other	444	959	116.0%
<b>Total sales revenue</b>	<b>6 593</b>	<b>7 177</b>	<b>8.9%</b>
<b>EBITDA</b>	<b>411</b>	<b>614</b>	<b>49.4%</b>
<b>Operating profit</b>	<b>116</b>	<b>195</b>	<b>68.1%</b>

### Rába Automotive Components Ltd.

The sales revenue of Rába Automotive Components Ltd. amounted to HUF 4.1 billion in Q1 of 2021, which is an increase of 8.7 per cent compared to the base period.

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

**European exports** during Q1 of 2021 amounted to EUR 5.1 million, which represents a decrease of 3.8 per cent compared to the EUR 5.3 million of the base period of 2020.

**Domestic sales** before consolidation amounted to HUF 2,252 million during the reporting period, which corresponds to an increase by 14.8 per cent compared to the sales revenue of HUF 1,961 million during Q1 of 2020.

The Company generated a profit of HUF 229 million at operating level during the reporting period compared to a profit of HUF 82 million in Q1 of 2020.

On the level of EBITDA, the loss of the Components business unit was HUF 337 million during the period, compared to the profit of HUF 199 million of the previous year.

million HUF	Q1 2020	Q1 2021	Change
EU - export	1 790	1 835	2.5%
EU – domestic	1 961	2 252	14.8%
Other	11	2	-81.8%
<b>Total sales revenue</b>	<b>3 762</b>	<b>4 090</b>	<b>8.7%</b>
<b>EBITDA</b>	<b>199</b>	<b>337</b>	<b>69.3%</b>
<b>Operating profit</b>	<b>82</b>	<b>229</b>	<b>179.3%</b>

### Rába Vehicle Ltd.

The sales revenue of Rába Vehicle Ltd. in Q1 of 2021 was below the figure of the base period by 51.6 per cent and decreased from HUF 1.8 billion to HUF 0.9 billion.

The sales figures of the Vehicle business unit were fundamentally influenced 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. A significant portion of the sales revenue of Rába Vehicle Ltd. is generated on the domestic market.

**European exports** were 100.0 per cent below than the level of the base period, thus declining from EUR 4.6 million to EUR 0.0 million.

**Domestic sales** before consolidation amounted to HUF 855 million in Q1 of 2021, representing an increase by 334.0 per cent.

The operating losses amounted to HUF 60 million during the reporting period compared to the losses of HUF 397 million during the base period last year.

On the level of EBITDA, in the reporting period, the Vehicle Business unit registered a loss of HUF 49 million compared to the loss of HUF 311 million in Q1 of 2020.

million HUF	Q1 2020	Q1 2021	Change
EU - export	1 567	0	-100.0%
EU - domestic	197	855	334.0%
<b>Total sales revenue</b>	<b>1 764</b>	<b>854</b>	<b>-51.6%</b>
<b>EBITDA</b>	<b>-311</b>	<b>-49</b>	<b>84.2%</b>
<b>Operating profit</b>	<b>-397</b>	<b>-60</b>	<b>84.9%</b>

### The Rába Group

The consolidated sales revenue of the Rába Group in Q1 of 2021 amounted to HUF 11.4 billion, which is a decline by 4.0 per cent compared to the figure of HUF 11.9 billion reported for the base period Q1 of 2020.

The operating profit of the group during the current period amounted to HUF 399 million, compared to HUF 120 million in losses during the same period a year earlier.

During the reporting period, the financial result was a profit of HUF 66 million, which includes, among others, a net interest payment of HUF 17 million, as well as exchange rate gains of HUF 87 million.

Profits from the purchase of investment amounted to HUF 11.5 million during Q1 of 2021, which includes the adjustment for the 24.9 per cent share in Re kard.

Based on the above, the Rába Group generated net profits of HUF 364 million in Q1 of 2021, compared to the losses of HUF 853 million during the same period of the previous year.

On the level of EBITDA, the group registered profits of HUF 1,013 million in Q1 of 2021, against last year's figure of HUF 450 million.

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

### **Sales revenue by business units**

Sales revenue (HUF million)	Axle	Components	Vehicle	Rába Group consolidated
<b>2020 Q1</b>	<b>6 593</b>	<b>3 762</b>	<b>1 764</b>	<b>11 856</b>
2020 Q2	5 921	5 539	5 056	15 782
2020 Q3	5 206	3 427	1 983	10 284
2020 Q4	6 069	3 746	2 323	11 859
<b>2021 Q1</b>	<b>7 177</b>	<b>4 090</b>	<b>854</b>	<b>11 377</b>

### **Breakdown of the sales revenues for Q1 of 2021**

HUF million	America	EU			CIS	Other	Total
		Total	export	domestic			
Axle	305	5 768	4 531	1 237	146	959	7 177
Components	2	4 087	1 835	2 252	0	0	4 090
Vehicle	0	854	0	855	0	0	854
<b>Consolidated</b>	<b>307</b>	<b>9 965</b>	<b>6 366</b>	<b>3 599</b>	<b>146</b>	<b>959</b>	<b>11 377</b>

### **Operating profit of group companies**

Operating profit						
	2020.					2021.
	Q1	Q2	Q3	Q4	Year	Q1
Axle	116	124	93	34	367	195
Components	82	281	109	192	664	229
Vehicle	-397	1 030	-129	-44	460	-60
Other	79	-86	-110	-34	-151	35
<b>Total</b>	<b>-120</b>	<b>1 349</b>	<b>-37</b>	<b>148</b>	<b>1 340</b>	<b>399</b>

### **PK2. Companies involved in the consolidation**

Company	Share/Issue capital in HUF thousand	Ownership ratio (%)	Voting ratio <sup>1</sup>	Classification <sup>2</sup>
Rába Axle Ltd.	9.765.800	100,00	100,00	S
Rába Automotive Components Ltd.	300.000	100,00	100,00	S
Rába Vehicle Ltd.	835.100	100,00	100,00	S
Diagonal Valor Ltd. <sup>3</sup>	0	100,00	100,00	S

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

<sup>2</sup>Subsidiary (S); Jointly controlled (J); Affiliated (A).

<sup>3</sup>Diagonal Valor Ltd. 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 2020	Q1 2021	Index
Domestic sales revenues	3 025 081	3 598 612	119.0%
Export sales revenues	8 830 957	7 778 125	88.1%
<b>Revenues</b>	<b>11 856 038</b>	<b>11 376 736</b>	<b>96.0%</b>
Direct cost of sales	9 389 537	9 126 426	97.2%
<b>Gross profit</b>	<b>2 466 501</b>	<b>2 250 311</b>	<b>91.2%</b>
Cost of sales and marketing	143 121	121 789	85.1%
General administration and overhead expenses	2 093 730	1 688 101	80.6%
Other revenues	112 589	143 353	127.3%
Other expenditures	461 876	185 195	40.1%
<b>Total other operating expenses</b>	<b>-2 586 138</b>	<b>-1 851 732</b>	<b>71.6%</b>
<b>Revenue from operations</b>	<b>-119 637</b>	<b>398 578</b>	<b>333.2%</b>
Financial revenues	435 984	96 228	22.1%
Financial expenditures	1 071 455	30 043	2.8%
<b>Net financial profit/loss</b>	<b>-635 471</b>	<b>66 185</b>	<b>10.4%</b>
Profit from the purchase of subsidiary company	0	0	
Profit from the purchase of affiliated company	6 818	11 536	169.2%
<b>PROFIT FROM THE PURCHASE OF INVESTMENT</b>	<b>6 818</b>	<b>11 536</b>	<b>169.2%</b>
<b>PROFIT BEFORE TAXATION</b>	<b>-748 290</b>	<b>476 299</b>	<b>63.7%</b>
<b>Profit tax</b>	<b>104 652</b>	<b>112 592</b>	<b>107.6%</b>
<b>After-tax profit in the current year</b>	<b>-852 942</b>	<b>363 708</b>	<b>42.6%</b>
Basic value of profit per share (HUF)	-63	27	
Diluted value of profit per share (HUF)	-63	27	

**1. EARNED REVENUES**

During Q1 of 2021, Rába generated HUF 11,377 million in sales revenue, compared to HUF 11,856 million during the same period of the previous year, which is a change of -4.0 per cent. 68.4 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 of 2021, the direct cost level of Rába was 80.2 per cent compared to 79.2 per cent of the base period. The amount of direct costs was HUF 9,126 million, 2.8 per cent lower than during the base period (Q1 of 2020: HUF 9,390 million).

**Gross profit**

The gross profit changed from HUF 2,467 million in the base period to HUF 2,250 million (HUF -216 million), which is due to the decrease in sales revenue by HUF 479 million and by 263 million in direct expenses.

**2.2. Cost of sales**

The cost of sales decreased by 14.9 per cent and amounted to HUF 122 million during Q1 of 2021, compared to HUF 143 million in Q1 of 2020.

**2.3. General overhead and administrative expenses**

Rába accounts under general overhead and administrative expenses (Q1 of 2021: HUF 1,688 million, Q1 of 2020: 2,094 million) for its costs incurred in relation to the administration of the

company (Q1 of 2021: HUF 1,075 million) and other general costs (Q1 of 2021: HUF 613 million).

#### **2.4. Other revenues and expenditures**

The balance of other revenues and expenditures amounted to a loss of HUF 42 million in Q1 of 2021 compared to HUF 349 million in losses during the same period of last year.

The base period also includes the figure for one-off items related to the closing of an earlier transaction in the amount of HUF 296 million.

### **3. OPERATING PROFIT**

The operating profit of the Company during Q1 of 2021 was HUF 399 million (Q1 of 2020: HUF -120 million). The decrease in gross profit (HUF 216 million) was improved by the combined change in sales and general overhead costs (HUF 427 million) and also improved by the change in the balance of other revenues and expenditures (HUF 307 million). Profitability changed from -1.0 per cent during the base period to 3.5 per cent. The profitability of operating profit + depreciation changed from 3.8 per cent during the base period to 8.9 per cent.

### **4. FINANCIAL REVENUES AND EXPENDITURES**

During Q1 of 2021, the net financial profit was HUF 66 million, compared to the loss of HUF 635 million during the base period.

The net result of interest incomes and expenses was HUF -17 million during Q1 of 2021 (against HUF -17 million during the base period).

The net exchange rate difference of FX items during Q1 of 2021 was HUF 87 million (HUF -610 million in the base period).

Financial revenues and expenditures consisted of the following principal items:

in HUF thousand	Q1 of 2020	Q1 of 2021
Interest income	1 771	96
Exchange rate gains	433 384	96 132
Other financial revenues	829	0
<b>Financial revenues</b>	<b>435 983</b>	<b>96 229</b>
Interest payable	19 068	16 915
Exchange rate loss	1 043 818	8 737
Other financial expenditures	8 569	4 391
<b>Financial expenditures</b>	<b>1 071 454</b>	<b>30 043</b>

### **5. EARNINGS IN THE CURRENT YEAR**

The earnings before taxation during Q1 of 2021 amounted to HUF 476 million, which, because of the factors outlined in sections 1-4, is HUF 1,225 million more than the figure for Q1-Q3 of 2020. The profitability ratio represents a 4.2 per cent return on sales on the basis of profit before taxation, against the level of -6.3 per cent during the base period.

The Group has HUF 113 million in tax liability during the review period. Within that, the corporate tax liability was HUF 19 million, the local business tax liability was HUF 81 million, the innovation supplement amounted to HUF 14 million, and the deferred tax liability in the reporting period was HUF -1 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	31.03.2021	Index
Real estate. machines. equipment	25 985 667	25 895 805	99.7%
Intangible assets	88 858	76 327	85.9%
Other long-term assets	76 071	56 837	74.7%
Property for investment purposes	753 952	753 952	100.0%
Other investments	49 027	60 563	123.5%
Deferred tax receivables	25 835	25 832	100.0%
<b>Total invested assets</b>	<b>26 979 410</b>	<b>26 869 316</b>	<b>99.6%</b>
Inventories	5 862 553	7 201 339	122.8%
Trade receivables and other receivables	5 948 228	7 505 595	126.2%
Profit tax receivable	111 882	184 682	165.1%
Liquid assets, bank account	3 303 420	2 559 501	77.5%
<b>Total current assets</b>	<b>15 226 083</b>	<b>17 451 117</b>	<b>114.6%</b>
<b>Total assets</b>	<b>42 205 493</b>	<b>44 320 433</b>	<b>105.0%</b>
Registered capital	13 473 446	13 473 446	100.0%
Treasury shares	-108 952	-108 952	100.0%
Retained earnings	6 532 641	6 899 341	105.6%
<b>Total equity and reserves</b>	<b>19 897 135</b>	<b>20 263 835</b>	<b>101.8%</b>
Long-term credits and loans	6 207 210	5 946 975	95.8%
Provisions	40 062	40 062	100.0%
Deferred tax liability	143 795	142 941	99.4%
Leasing liabilities	148 708	130 926	88.0%
<b>Total long-term liabilities</b>	<b>6 539 776</b>	<b>6 260 904</b>	<b>95.7%</b>
Provisions	347 368	418 218	120.4%
Leasing liabilities	105 094	105 094	100.0%
Short-term portion of loans and credits	3 505 248	3 749 062	107.0%
Trade liabilities and other payables	11 810 872	13 523 320	114.5%
<b>Total short-term liabilities</b>	<b>15 768 582</b>	<b>17 795 694</b>	<b>112.9%</b>
<b>Total equity and liabilities</b>	<b>42 205 493</b>	<b>44 320 433</b>	<b>105.0%</b>

**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 25,896 million. This represents a decrease by 0.3 per cent. The depreciation of fixed assets was HUF 614 million in Q1 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. (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 23 million.

**1.2. Intangible assets**

The net value of intangible assets changed from HUF 89 million to HUF 76 million. This represents a decline by 14.1 per cent. The amount of depreciation accounted during the period was HUF 13 million.

**1.3. Other long-term assets**

This balance sheet line shows other long-term loans given in the amount of HUF 4 million (31 December, 2020: HUF 5 million), as well as long-term advance payments in the amount of HUF 53 million (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. In consequence of the discharge of liabilities during Q1, the amount of long term advance receivables declined by HUF 18 million during the period.

**1.4. Property for investment purposes**

The book value of real estate for investment purposes at 31 March, 2021 was HUF 754 million and did not change compared to the base period.

**1.5. Investments**

In 2019, the Company acquired Diagonal Valor Ltd. 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 % 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 26 million on 31 March, 2021, no change compared to the base period.

**2. CURRENT ASSETS****2.1. Inventories**

On 31 March, 2021, the closing value of stocks was HUF 7,201 million (31 December, 2020: HUF 5,863 million). The change is an increase by HUF 1,339 million. The components of the change are: an increase in materials and goods by HUF 1,484 million and a decline in unfinished, semi-finished and finished goods by HUF 145 million.

**2.2. Trade receivables and other receivables**

The closing figure of receivables as at 31 March, 2021 was HUF 7,506 million, an increase by HUF 1,557 million compared to the 31. December, 2020 figure (closing figure for 31. December, 2020: HUF 5,948 million). Accounts receivable increased by HUF 999 million, advances made for investment and inventories increased by HUF 20 million and other receivables also increased by HUF 538 million.

**2.3. Profit tax receivables**

At the end of the quarter, the Group had profit tax receivables.

On 31 March, 2021, the Group had HUF 185 million in profit tax receivables, within which the corporate tax receivables amounted to HUF 63 million and the local trade tax receivable was HUF 128 million and the innovation supplement was a liability of HUF 6 million.

On 31 December, 2020, there was also a profit tax receivable of HUF 112 million, within which corporate tax receivables amounted to HUF 77 million, the local trade tax receivables amounted to 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 March, 2021 was HUF 2,560 million, HUF 743 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 shareholder's equity
<b>Balance as at 01 January, 2020</b>	<b>13 473 446</b>	<b>-108 952</b>	<b>0</b>	<b>7 832 514</b>	<b>0</b>	<b>21 197 008</b>
Profit for current year				-1 030 404		-1 030 404
Dividend payment				-269 469		-269 469
<b>Balance as at 01 January, 2021</b>	<b>13 473 446</b>	<b>-108 952</b>	<b>0</b>	<b>6 532 641</b>	<b>0</b>	<b>19 897 135</b>
Profit of the current year				363 708		363 708
Profit adjustment for previous year				2 992	0	2 992
<b>Balance as at 31 March, 2021</b>	<b>13 473 446</b>	<b>-108 952</b>	<b>0</b>	<b>6 899 341</b>	<b>0</b>	<b>20 263 835</b>

**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 March, 2021, the share capital of the Company was HUF 13.473 million.

**3.2. Treasury shares**

On 31 March, 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 6,899 million) changed by HUF 366 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 and leasing liabilities as at 31 March, 2021 amounted to HUF 5,947 million, which was 4.2 per cent lower 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 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. The amount then declined by HUF 18 million during the reporting period compared to the base period.

**4.2. Provisions**

The closing value of provisions as at 31 March, 2021 was HUF 458 million, of which HUF 40 million is long-term.

**4.3. Deferred tax liability**

On 31 March, 2021, the Company had deferred tax liabilities in the amount of HUF 143 million, which is HUF 1 million less 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 3,749 million is 7 per cent higher compared to the closing value at the 31 December 2020 (HUF 3,505 million). Short-term leasing liabilities amounted to HUF 105 million, with no changes compared to 31 December, 2020.

The net borrowing of the Rába group was HUF 7,137 million on 31 March, 2021, an increase by HUF 727 million compared to the level as at 31 December, 2020.

**5.2. Provisions**

The short-term portion of provisions amounted to HUF 418 million on 31 March, 2021, which is HUF 71 million higher than the amount on 31 December, 2020.

**5.3. Profit tax liability**

At the end of the quarter, the Group had profit tax receivables.

**5.4. Accounts payable and other short-term liabilities**

On 31 March, 2021, the amount of accounts payable and other short-term liabilities was HUF 13,523 million, which is 14.5 per cent higher than the closing value as at 31. December 2020 (HUF 11,811 million). Accounts payable increased by HUF 423 million, other liabilities increased by HUF 306 million, whereas passive accruals increased by HUF 983 million.

**PK 5. CONSOLIDATED CASH-FLOW STATEMENT**

Data in HUF thousand

	31.12.2020	31.03.2021
<b>Cash-flows from operating activities</b>		
Profit before taxation	-669 062	476 299
<i>Adjustment items related to items with no cash movement:</i>		
Interest income	-8 824	0
Interest expenditure	90 539	16 915
Depreciation and amortisation	2 333 885	614 492
Impairment of intangible assets, properties machines and equipment	231 498	8 874
Impairment of bad and doubtful receivables and of long term receivables	12 760	4 547
Impairment of stocks kept at net realisable value	425 717	14 305
Impairment of real estate for investment purposes	54 694	0
Scrapping of stocks	94 299	1 996
Provisions / (release)	-21 145	70 850
Result from the sale of real estate, machinery and fixtures and intangible assets	-8 181	17 269
Profit from the purchase of subsidiary and affiliated company	-4 000	11 536
Revaluation of loans and credits at end of period	660 531	-36 470
<i>Changes in working capital:</i>		
Changes in trade and other receivables	526 686	-1 561 914
Changes in stocks	1 268 673	-1 355 087
Changes in accounts payable and other liabilities	1 005 425	1 890 815
Taxes paid	-394 038	-186 242
Interests paid	-58 820	0
<b>Net cash flows from operating activity</b>	<b>5 540 637</b>	<b>-34 887</b>
<b>Cash-flows from investment activities</b>		
Purchase of real estate, machinery and fixtures, as well as of intangibles	-3 091 472	-824 978
Revenues from the sale of real estate, machinery and fixtures as well as intangible asses	8 443	286 736
Increase in investments	0	0
Interests received	8 824	96
<b>Net cash flows used for investment activities</b>	<b>-3 074 205</b>	<b>-538 146</b>
<b>Cash flows from financing activities</b>		
Loans and credits received	5 012 922	47 720
Loans and credits and leasing repayment	-4 710 975	-218 605
Dividend paid	-269 469	0
<b>Net cash flows from financing activities</b>	<b>32 478</b>	<b>-170 885</b>
<b>Net increase/decrease of cash and cash equivalents</b>	<b>2 498 910</b>	<b>-743 918</b>

**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 unaudited. 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 9,696 million, of which the loans secured with liens and mortgages on movable assets and real property amount to HUF 7,670 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 <sup>1</sup>			
	Beginning of current year (01 January)			At end of term (31. March)			Beginning of period		End of period	
	% <sup>2</sup>	% <sup>3</sup>	pcs	% <sup>2</sup>	% <sup>3</sup>	pcs	%	pcs	%	pcs
Domestic institutional/corporate	4.34	4.38	584 606	4.60	4.65	620 238				
Foreign institutional/corporate	0.96	0.97	129 121	0.96	0.97	129 740				
Foreign private individual	0.07	0.07	8 832	0.07	0.07	9 272				
Domestic private individual	19.16	19.33	2 581 003	18.88	19.05	2 544 312				
Employees. leading officials	0.13	0.13	17 074	0.13	0.13	17 074				
Treasury shares	0.90		120 681	0.90		120 681				
Shareholder forming part of general government <sup>4</sup>	74.46	75.13	10 032 129	74.46	75.13	10 032 129				
International Development Institutions <sup>5</sup>	0.00	0.00	0	0.00	0.00	0				
Other <sup>6</sup>	0.00	0.00	0	0.00	0.00	0				
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>13 473 446</b>	<b>100.00</b>	<b>100.00</b>	<b>13 473 446</b>				

<sup>1</sup>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.

<sup>2</sup> Ownership ratio

<sup>3</sup> 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.

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

<sup>5</sup> E.g.: EBRD, EIB, etc.

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

Name	depository (yes/no)	Quantity (pcs)	Share (%)
Hungarian State Holding Company Ltd.(MNV Zrt.)	no	10 015 829	74.34
<b>Total</b>		10 015 829	74.34

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

	1 January		31 March	
	pcs	%	pcs	%
At corporate level	120 681	0.9	120 681	0.9
Subsidiaries <sup>1</sup>	-	-	-	-
Grand total	120 681	0.9	120 681	0.9

<sup>1</sup> 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	21	29	32
At group level	1 325	1 173	1 190

The consolidated closing headcount as at 31 March, 2021 was 1,190. The decline in headcount is 10.2 per cent compared to the end of the base period.

**TSZ2. Managing executives. strategic employees**

Type <sup>1</sup>	Name	Position	Beginning of mandate	End/termination of mandate
BD	Béla Hetzmann	Chairman of the BD	2020	
BD	Dr. Ibolya Virág Csernák Bánóczy	Board member	2019	
BD	Dr. Nóra Csüllög	Board member	2019	
BD	Éva Lang-Péli	Board member	2020	
BD	János Major	Board member	2020	
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 Toperczer	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	Supervisory Board member	2016	
SB	Dr. Sándor József Szabó	Supervisory Board member	2020	
SB	Dr. Zoltán Lajos Pafféri	Chairman of the Supervisory Board	2018	2020
SB	Dr. Tünde Kanta	Supervisory Board member	2017	2020
SP	István Pintér	Chief Executive Officer	2003	indefinite
SP	Béla Balog	Chief Financial Officer	2004	indefinite
SP	Ádám Steszli	HR and Controlling Director	2014	Indefinite
SP	Attila Deák	Director, Strategic Procurement and Business Development	2019	indefinite
SP	István Pintér	Managing Director	2004	indefinite
SP	László Urbányi	Managing Director	2005	indefinite
SP	János Torma	Managing Director	2005	indefinite

<sup>1</sup> Employee in 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 REPORT**

On 7 May, 2021, István Pintér ceases to hold the position of chief executive officer of RÁBA Plc., and of managing director of Rába Axle Ltd.

As from 8 May, 2021, the chief executive officer of RÁBA Plc., is Béla Hetzmann, chairman of the board of directors of RÁBA Plc.

As from 8 May, 2021, the technical director of RÁBA Plc. and the managing director of Rába Axle Ltd. is Roland Fehér.

According to the authorisation of the resolution adopted in competence of General Meeting, the Company put its property situated at 9021 Győr, Apor Vilmos püspök tere 3. (Topographical lot No.: 7445) up for auction under the auction conditions as defined in the submission to the General Meeting. The Company has started the procedure to conclude the contract of sale with the highest bidder.

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

**RÁBA NYRT. (INDIVIDUAL) BALANCE SHEET (IFRS)**

Data in HUF thousand

Description of item	31.12.2020	31.03.2021	Index
Property, machinery, equipment	6 975 315	6 926 195	99.30%
Intangible assets	7 897	6 697	84.80%
Other long-term assets	1 456 850	1 456 850	100.00%
Real estate for investment	753 952	754 952	100.13%
Subsidiary investments	10 567 419	10 567 418	100.00%
Other investments	49 027	60 563	123.53%
Deferred tax receivable	17 193	17 191	99.99%
<b>Total invested assets</b>	<b>19 827 653</b>	<b>19 789 866</b>	<b>99.81%</b>
Inventories	9 679	9 679	100.00%
Trade and other receivables	332 701	420 091	126.27%
Profit tax receivables	0	0	
Cash and cash equivalents	1 836 278	2 076 221	113.07%
<b>Total current assets</b>	<b>2 178 658</b>	<b>2 505 991</b>	<b>115.02%</b>
<b>TOTAL ASSETS</b>	<b>22 006 311</b>	<b>22 295 857</b>	<b>101.32%</b>
Registered capital	13 473 446	13 473 446	100.00%
Treasury shares	-108 952	-108 952	100.00%
Retained earnings	1 618 179	1 654 918	102.27%
<b>Total equity and reserves</b>	<b>14 982 673</b>	<b>15 019 412</b>	<b>100.25%</b>
Provisions	0	0	
Long-term credits and loans	23 151	20 143	87.01%
<b>Total long-term liabilities</b>	<b>23 151</b>	<b>20 143</b>	<b>87.01%</b>
Provisions	138 247	138 247	100.00%
Short-term portion of loans and credits	0	173 161	
Accounts payable and other liabilities	6 862 240	6 944 894	101.20%
<b>Total short-term liabilities</b>	<b>7 000 487</b>	<b>7 256 302</b>	<b>103.65%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22 006 311</b>	<b>22 295 857</b>	<b>101.32%</b>

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

Data in HUF thousand

Description	Q1 2020	Q1 2021	Index
Sales revenues	474 587	506 688	106.8%
Direct cost of sales	101 240	131 558	129.9%
<b>Gross profit</b>	<b>373 347</b>	<b>375 130</b>	<b>100.5%</b>
Sales and marketing costs	382	0	0.0%
General overhead costs	305 412	293 554	96.1%
Other revenues	5 566	213	3.8%
Other expenditures	36 971	48 071	130.0%
<b>Other operating expenditures total</b>	<b>-337 199</b>	<b>-341 412</b>	<b>101.2%</b>
<b>Operating profit</b>	<b>36 148</b>	<b>33 718</b>	<b>93.3%</b>
Financial income	46 020	16 659	36.2%
Financial expenditures	177 781	15 298	8.6%
<b>Net financial income</b>	<b>-131 760</b>	<b>1 361</b>	<b>-1.0%</b>
Revenue from the purchase of affiliated company	6 818	11 536	169.2%
<b>PROFIT BEFORE TAXATION</b>	<b>-88 794</b>	<b>46 615</b>	<b>-52.5%</b>
<b>Profit Tax</b>	<b>6 972</b>	<b>9 870</b>	<b>141.6%</b>
<b>PROFIT OF CURRENT YEAR</b>	<b>-95 766</b>	<b>36 745</b>	<b>-38.4%</b>
<b>TOTAL AGGREGATE PROFIT/LOSS OF CURRENT YEAR</b>	<b>-95 766</b>	<b>36 745</b>	<b>-38.4%</b>
<b>EBITDA</b>	<b>101 642</b>	<b>109 980</b>	<b>108.2%</b>

**SEGMENT INFORMATION**

From a business perspective, the Group can be split into three main segments: Axle, Vehicle 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.

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 2020.					
	Axle IFRS	Vehicle IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated
Revenues	6 448 015	1 711 634	3 530 324	166 065	0	11 856 038
Inter-segment revenues	144 839	52 392	231 505	326 968	-755 704	0
<b>Total revenue from sales</b>	6 592 854	1 764 026	3 761 829	493 033	-755 704	11 856 038
<b>Direct cost of sales</b>	-5 232 804	-1 508 428	-3 118 906	-101 240	571 840	-9 389 538
<b>GROSS PROFIT</b>	1 360 050	255 598	642 923	391 792	-183 864	2 466 500
Sales and marketing costs **	-97 005	-39 200	-46 759	-382	40 225	-143 121
General overhead costs **	-1 084 128	-325 041	-517 138	-308 123	140 701	-2 093 730
Other revenues	48 297	13 364	12 288	48 193	-9 553	112 589
Other expenditures	-111 086	-302 006	-9 185	-39 599	-1	-461 876
<b>TOTAL OTHER OPERATING EXPENDITURES</b>	-1 243 922	-652 882	-560 795	-299 912	171 372	-2 586 138
<b>REVENUE FROM OPERATIONS</b>	116 128	-397 284	82 128	91 881	-12 492	-119 638
Interest income	488	2 307	71	1 790	-2 885	1 770
Interest expenditure	-9 194	-5 113	-3 445	-4 202	2 885	-19 068
Profit tax expenditure	-40 358	-18 853	-35 526	-9 915	0	-104 652
<b>Assets</b>						
Real estate, machinery and equipment	13 635 267	1 970 045	2 459 844	7 409 482	-406 687	25 067 951
Intangible assets	71 905	35 477	12 867	11 902	0	132 151
Real estate for investment	0	0	0	392 913	417 046	809 958
Other long-term assets	102 983	9 227	6 525	1 423 166	-1 414 417	127 484
Inventories	4 963 508	1 076 298	1 903 540	8 472	-35 530	7 916 287
Receivables	5 675 046	4 798 041	2 484 751	2 337 313	-7 189 972	8 105 178
Cash and cash equivalent	350 341	3 587	4 987	1 059 241	-1	1 418 154
<b>Liabilities</b>						
Provisions	71 393	170 155	0	111 900	3	353 451
Liabilities*	9 980 038	2 019 094	3 038 245	5 524 072	-7 189 970	13 371 478
Capital expenditures	630 085	198 720	258 698	1 293 358	0	2 380 861
Depreciation	294 380	86 657	117 184	68 056	2 938	569 215

	Q1 2021.					
	Axle IFRS	Vehicle IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated
Revenues	7 082 286	123 997	3 954 559	215 894	0	11 376 736
Inter-segment revenues	95 126	730 291	135 218	290 794	-1 251 431	0
<b>Total revenue from sales</b>	<b>7 177 413</b>	<b>854 289</b>	<b>4 089 777</b>	<b>506 688</b>	<b>-1 251 431</b>	<b>11 376 736</b>
<b>Direct cost of sales</b>	<b>-5 953 329</b>	<b>-848 883</b>	<b>-3 317 502</b>	<b>-131 558</b>	<b>1 124 846</b>	<b>-9 126 426</b>
<b>GROSS PROFIT</b>	<b>1 224 084</b>	<b>5 407</b>	<b>772 275</b>	<b>375 130</b>	<b>-126 585</b>	<b>2 250 311</b>
Sales and marketing costs **	-102 115	-5 231	-48 307	0	33 864	-121 789
General overhead costs **	-984 773	-27 170	-475 462	-293 554	92 858	-1 688 101
Other revenues	114 289	16 540	12 311	213	0	143 353
Other expenditures	-56 494	-48 968	-31 662	-48 071	0	-185 195
<b>TOTAL OTHER OPERATING EXPENDITURES</b>	<b>-1 029 090</b>	<b>-64 830</b>	<b>-543 123</b>	<b>-341 412</b>	<b>126 723</b>	<b>-1 851 732</b>
<b>REVENUE FROM OPERATIONS</b>	<b>194 993</b>	<b>-59 422</b>	<b>229 151</b>	<b>33 718</b>	<b>138</b>	<b>398 580</b>
Interest income	599	3 189	725	1 909	-6 326	96
Interest expenditure	-9 284	-6 097	-1 473	-6 386	6 326	-16 915
Profit tax expenditure	-42 641	-6 356	-53 725	-9 870	0	-112 592
<b>Assets</b>						
Real estate, machinery and equipment	15 140 642	1 673 962	2 134 624	6 926 195	20 382	25 895 805
Intangible assets	39 356	25 298	4 976	6 697	0	76 327
Real estate for investment	0	0	0	754 952	-1 000	753 952
Other long-term assets	49 671	4 193	2 973	1 456 850	-1 456 850	56 837
Inventories	5 818 835	6 613	1 388 568	9 679	-22 356	7 201 339
Receivables	6 119 664	5 065 307	3 145 703	420 091	-7 245 170	7 505 595
Cash and cash equivalent	443 435	25 222	14 622	2 076 221	0	2 559 501
<b>Liabilities</b>						
Provisions	66 994	91 280	161 759	138 247	0	458 280
Liabilities*	9 079 855	987 600	3 912 614	6 944 894	-7 296 549	13 628 414
Capital expenditures	781 603	36 558	157 187	50 878	0	1 026 223
Depreciation	419 435	10 912	108 022	76 262	-138	614 492

**PK1. General information pertaining to the financial data**

	Yes	No				
<b>Audited</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>				
<b>Consolidated</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>				
<b>Accounting principles</b>	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, 19 May, 2021

Béla Hetzmann  
Chairman - Chief Executive Officer

Béla Balog  
Chief Financial Officer