

# Q1-Q4 2023 Report of RÁBA Plc.

Unaudited, consolidated quarterly report  
in accordance with International Financial Reporting Standards (IFRS)

Company name:	RÁBA Automotive Holding Plc.
Company address:	H-9027 Győr, Martin u. 1.
Sector:	Machine industry
Period:	Q1-Q4 of 2023
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## EXECUTIVE REPORT

### MAIN RESULTS OF THE COMPANY

- Although everyday business was still heavily impacted by the Russian-Ukrainian war, the automotive industry, more specifically that of commercial vehicles adapted to the changed conditions and concluded a solid year. On an annual level, market demand grew considerably in almost all relevant geographical and product segments. Market trends, however, do not suggest positive prospects for future demands: orders have started to decline in Q3 and in Q4 there is a slow-down or clear decline in the registration figures in most segments.

Production costs within the Rába group were more moderate in Q1-Q3 of 2023 after the earlier peak, this trend, however came to a clear halt in Q4. The bulk of the change in steel prices was automatically realised by the customers, and the energy price compensation agreed upon earlier became increasingly difficult to enforce, their levels not always reaching the previous ones. The continued and drastic increase in wages remained a considerable burden in 2023.

In Q3 and Q4 of 2023, the significantly stronger than during the base period exchange rate of the HUF had a negative effect on FX settlements and through that on operating profitability.

- Although Q4 sales suggest a negative turn in market demand, for the whole of 2023, the Rába group managed to retain its record high performance of the past 20 years. The sales revenue of the Rába group exceeded HUF 72.8 billion, an increase by HUF 8.5 billion over the value for the base period a year earlier. In terms of sales, Rába Axle Ltd. remains the largest subsidiary of the group, generating HUF 48.2 billion in sales through a 11.7 per cent increase during the cumulative period of 2023. The sales revenue of Rába Automotive Components Ltd. in Q1-Q4 of 2023 reached HUF 17.2 billion, whereas Rába Vehicle Ltd. contributed HUF 2.6 billion in sales to the record-level sales revenue of the group. As from Q3 2022, the Rába Group's portfolio was expanded, and REKARD LLC. which operates as a wholly-owned Rába subsidiary, was included in the consolidation of the Rába group. The sales revenue of REKARD LLC. was HUF 5.0 billion in Q1-Q3.

A decline in demand occurred in the case of the determining market segments in Q4, as a result of which the group-level sales revenue of the last quarter amounted to HUF 16.9 billion, upon a decline by HUF 1.6 billion. Of the subsidiaries, the sales figures of Rába Axle Ltd. and REKARD LLC. suggest considerable market sensitivity: both subsidiaries suffered substantial sales decline in all their relevant geographical segments. Compared to the base period of Q4, the 12.7 per cent decline in the sales of Rába Axle Ltd. exceeded HUF 1.6 billion, whereas in the case of REKARD LLC., the decline in sales revenue reached 23.0 per cent.

- Purchase prices stabilised at a high level in Q4, which puts continuous pressure on profitability. Steel purchase prices for the whole of 2023 were still 45 per cent higher compared to the average of the previous years, energy prices were still three times higher compared to the pre-crisis level and wages increased by some 57 per cent since 2019. The Rába group makes considerable efforts to mitigate these negative impacts through both purchasing and sales measures and to neutralise their profit eroding impact.
- The decline in sales during Q4 and the continued significant pressure exerted by production costs resulted in that gross profit at group level amounted to HUF 11.1 billion upon an decrease

by -1.5 per cent. The gross profit of 2023 ratio remained below the base period: it amounted to 15.2 per cent, upon a decrease by 2.3 percentage points. The gross profit surplus resulting from the portfolio growth due to REKARD LLC. amounted to HUF 1.1 billion.

- The balance of other revenues and expenditures reached a profit of HUF 117 million in 2023, compared to a profit of HUF 439 million in the same period of the previous year. The result from other activities in the base period included a profit from a one-off real property transaction with a value of HUF 342 million.
- Following the outstanding profitability during H1, the high pressure on the cost side and the negative impacts of the strong HUF exchange rate and the marked decline in sales have impacted operating profitability in Q4, and thus on the operating profit for the entire year. In 2023, the Rába group achieved operating profits of HUF 1,340 million upon a decline of 34.4 per cent. Of the business units, Rába Automotive Components Ltd., Rába Vehicle Ltd., and REKARD LLC. contributed profitably to the group-level result by HUF 672 million, 432 million and 404 million respectively, whereas Rába Axle Ltd. generated negative operating results (HUF -290 million).

A similar trend was manifest for the operating profit during Q4: with the exception of the Axle business unit all other business units generated profit at operating level: the operating profit of the Automotive Components business unit was HUF 181 million, that of the Vehicle business unit was HUF 89 million and of the Gearbox business unit amounted to HUF 61 million. The losses of Rába Axle Ltd. during Q4 amounted to HUF 670 million.

- The clear decline in market activity, the increase in production costs and the price sensitivity of the customer side clearly impacted the EBITDA-level profitability. In Q1-Q4 of 2023, the EBITDA on sales declined by 1.8 percentage points to 5.4 per cent and consequently was 15.8 per cent, some HUF 730 million lower than the profit during the base period a year earlier. The EBITDA-level profit generated amounted to HUF 3,900 million. The group-level EBITDA is a sum of the negative profit contributions by the Axle and Automotive Components business units, whereas the Vehicle business unit contributed an increase in EBITDA. The additional EBITDA resulting from the portfolio expansion because of the Gearbox business unit amounted to HUF 587 million in Q1-Q4 of 2023.

Retaining and maintaining cash generating capacity is an increasing challenge for the Rába group in 2023, since there is an increasing pressure both from customers and suppliers. The management of the group of companies continues to make considerable efforts to retain cash generating capacity.

- The result of financial operations for the period under review is fundamentally affected by the non-cash loan revaluation. In Q1-Q4 of 2023, the result of financial operations showed a profit of HUF 613 million compared to a loss of HUF 1,075 million in the same period last year. The unrealised gain from loan revaluation amounted to HUF 688 million. In addition, the financial result includes a net interest charge of HUF 145 million.
- The total comprehensive income and profit for the year amounted to a profit of HUF 1,185 million in Q1-Q4 of 2023.
- In Q1-Q4 of 2023, the financial situation of the Rába group was characterised by a stable liquidity position. The level of net debt reached HUF 13.1 billion at the end of the period under review, a decrease of HUF 1.9 billion compared to the base period. Of the factors influencing the level of the net debt, mention must be made of the technological renewal and reorganisation far exceeding the capital expenditures of previous years, operating profit realised since the base period and the working capital (decreased inventory levels), which decreased considerably since the base period. The financing of the Company's capital expenditure activity is largely assisted by the successful participation in the Industry Salvage Programme, within which a substantial advance payment was drawn in 2023. The HUF 688 million worth of loan revaluation resulting from exchange rate changes, not involving cash movements, was another factor positively contributing to the net borrowing figure.
- Compared to the same period last year, equity increased by 5.2 per cent. The equity per share was HUF 1,781 per share.

thousand HUF	Q1-Q4 2022	Q1-Q4 2023	Change	Q4 2022	Q4 2023	Change
Sales revenue	64 346 577	72 841 899	13.2%	18 499 979	16 867 757	-8.8%
Gross profit	11 234 684	11 065 958	-1.5%	3 402 423	1 396 071	-59.0%
<i>Gross margin</i>	17,5%	15,2%	-2.3%p	18,4%	8.3%	-10.1%p
EBITDA	4 629 995	3 900 078	-15.8%	1 633 950	46 928	-97.1%
<i>EBITDA level</i>	7,2%	5,4%	-1.8%p	8,8%	0.3%	-8.6%p
Operating profit	2 043 973	1 340 187	-34.4%	959 271	-586 432	-161.1%
Net financial result	-1 075 169	613 094	157.0%	617 982	349 867	-43.4%
Profit after tax for current year	1 632 170	1 184 619	-27.4%	2 446 927	-485 831	-119.9%
Total comprehensive income	1 632 170	1 184 619	-27.4%	2 446 927	-485 831	-119.9%

## GOALS, STRATEGY OF THE COMPANY

“The fourth quarter was unfavourable but for the year as a whole, we managed to maintain the sales performance and high quality we set for ourselves. The company is committed to maintaining competitiveness and profitability, while exploring further growth opportunities. Our dedication to sustainability and green energy continues to be our priority. We are particularly proud that last year we successfully started developing our solar panel farms that will provide substantial green energy for our production activities. Rába’s commitment to sustainability remains of paramount importance. We see the use of sustainable energy and the development of modern and sustainable production processes as the keys to our future,” said Béla Hetzmann, Chairman-Chief Executive Officer of RÁBA Automotive Holding Plc.

## BUSINESS ENVIRONMENT OF THE COMPANY

- Although everyday business was still heavily impacted by the Russian-Ukrainian war, the automotive industry, more specifically that of commercial vehicles adapted to the changed conditions and concluded a solid year. On an annual level, market demand grew considerably in almost all relevant geographical and product segments. Market trends, however, do not suggest positive prospects for future demands: orders have started to decline in Q3 and in Q4 there is a slow-down or clear decline in the registration figures in most segments.

Production costs within the Rába group were more moderate in Q1-Q3 of 2023 after the earlier peak, this trend, however came to a clear halt in Q4. The bulk of the change in steel prices was automatically realised by the customers, and the energy price compensation agreed upon earlier became increasingly difficult to enforce, their levels not always reaching the previous ones. The continued and drastic increase in wages remained a considerable burden in 2023.

In Q3 and Q4 of 2023, the significantly stronger than during the base period exchange rate of the HUF had a negative effect on FX settlements and through that on operating profitability.

- 2023 was a decidedly strong year for the European commercial vehicle market in terms of demand: the registration of new commercial vehicles increased by 15 per cent over the rate of the previous year. It is important to note, though, that Q4 registration data, however, already showed a clear, 13 per cent decline. The slow-down during Q4 was notable on the North-American commercial vehicle market as well, there was still a 7 per cent increase over the base period of 2022. The demand for Rába’s agricultural products declined to a lesser extent in H2 of 2023: turnover however, exceeded the level of the previous year by 20 per cent even so. In compliance with the European sanction regulations in force against Russia, since the beginning of the Russian-Ukrainian military conflict Rába has not conducted any business with its Russian partners. The European passenger vehicle market also saw a clear slow-down in Q4 of 2023, but the whole of 2023 was still characterised by a significant growth in demand: new car registrations increased by 14 per cent year on year.
- Substantial economic risks together with the drastic increase in energy prices resulted in high volatility on the steel market in 2022. In 2023 both energy prices and the demand-supply relations were adjusted compared to the base period, which had a favourable impact on the development of the purchase price of steel. In Q4 of 2023, the purchase price level of steel was some 12.1

per cent lower. The 13.7 per cent lower purchase prices of the cumulative period impacted production activities.

- There were no significant changes on the labour market in the period under review, thus labour shortages and inflationary pressures continued to have a significant impact on the increase in average wages. In January-November of 2023, average gross national earnings increased by 16.3 per cent. Finding and implementing operational efficiency improvements in production technology to cover the years of steadily increasing wage costs remains a major challenge for the Company.
- Energy prices declined compared to the record high levels of 2022. H1 of 2023 was characterised by a strong price adjustment and H2 was marked by stabilisation at a still high level. Energy prices in Q4 2023 were 52.1 per cent lower than during the base period, this is, however, largely due to the exorbitant prices during the base period. The energy price level during Q4 is even so 2.7 times higher than the purchase prices prior to the energy crisis. In Q1-Q4 of 2023, energy prices for the cumulative period were 34.4 per cent below the level of the base period. A negative phenomenon in terms of energy prices is that market partners are less and less willing to offer energy price compensation, even though the price level remains 2.5-3.0 times the levels before the energy crisis. All this also suggests that European energy purchase prices will probably not be returning to the earlier competitive levels.
- In terms of the exchange rate environment during the cumulative period under review, the dollar saw a decrease of 5.3 per cent, while the euro, which has a significant foreign currency weighting, saw decrease of 2.4 per cent compared to a year earlier. For Q4 of the year, the exchange rate environment was significantly different from the base period, for the USD, the decline in exchange rates was 11.8 per cent, for the EUR it was 7.0 per cent, which had a negative effect on the net export. All this exerted a clearly negative impact on the quarterly operating profits.<sup>1</sup>

	Q1-Q4 2022	Q1-Q4 2023	Change	Q4 2022	Q4 2023	Change
EURHUF - average	391.3	381.9	-2.4%	410.9	382.1	-7.0%
EURHUF - end of period	400.3	382.8	-4.4%	400.3	382.8	-4.4%
USDHUF - average	373.1	353.3	-5.3%	402.9	355.3	-11.8%
USDHUF - end of period	375.7	346.4	-7.8%	375.7	346.4	-7.8%
Changes in raw material prices*	190%	164%	-13.7%	181%	159%	-12.1%
Wage level**	493.8	574.4	16.3%	526.2	599.1	13.9%
Changes in energy prices***	969%	635%	-34.4%	1210%	579%	-52.1%

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

\*\*KSH (Central Statistical Office) national gross average wage within companies (thousand HUF/month) – based on figures for Jan-Nov. 2023.

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

## SUMMARY OF THE RESULT FOR THE REPORTING PERIOD

### Rába Axle Ltd.

The sales revenue of Rába Axle Ltd. amounted to HUF 48.2 billion in Q1-Q4 of 2023, compared to HUF 43.2 billion in the 2022 base period. This corresponds to an increase by 11.6 per cent.

On the **American market**, the revenue in USD for the period was USD 10.8 million in the review period, which was 6.9 per cent lower than the USD 11.6 million in sales achieved in Q1-Q4 of 2022.

On the **EU market**, Rába Axle Ltd's sales figures in HUF terms increased by 16.5 per cent, amounting to HUF 42.3 billion, compared to HUF 36.3 billion during the base period.

**European exports** in Q1-Q4 of 2023 were 28.3 per cent higher than in the base period, reaching EUR 96.1 million compared to EUR 74.9 million in Q1-Q4 of 2022.

**Domestic sales** revenue before consolidation amounted to HUF 5,627 million, a decrease of 19.4

<sup>1</sup> Average exchange rates were calculated based on the official FX rates of the National Bank of Hungary.

Source: <http://www.mnb.hu/arfolyam-lekerdezes>

per cent compared to HUF 6,979 million in the base period.

On the **CIS and Eastern European markets** Rába Axle Ltd. generated no sales revenue during the review period, primarily due to the sanctions against Russia. The turnover during Q1-Q4 of 2022 was also minimal, amounting to a mere EUR 0.2 million.

Revenues from **Other markets** in euro terms amounted to EUR 5.5 million in the period under review, which was 14.1 per cent less than the EUR 6.4 million turnover in the base period of 2022.

The sales figures and their comparison for the base period with the period in review are fundamentally affected by the fact that in the framework of efficiency improvement measures, the organisational and operational management of the Sárvár site of the Components business unit was transferred from the Components business to the Axle business unit in Q3 2022.

As from 1 January, 2023, the Rába Development Institute, performing R+D activities has been integrated into Rába Vehicle Ltd. from Rába Axle Ltd.

The operating result of the Company in Q1-Q4 of 2023 was a loss of HUF 290 million, compared to the loss of HUF 418 million during the same period of the previous year.

The operating profit of 2023 includes one-off items not related to the core activity, improving the results. These include the profit generated through the sale of CO<sub>2</sub> and the result from the settlement of a one-off claim within consolidation

At EBITDA level, the operating profit of the Axle business unit was HUF 1,513 million compared to HUF 2,212 million registered a year earlier.

million HUF	Q1-Q4 2022	Q1-Q4 2023	Change	Q4 2022	Q4 2023	Change
America	4 337	3 803	-12.3%	1 096	897	-18.2%
EU - export	29 309	36 698	25.2%	8 977	8 543	-4.8%
EU – domestic	6 979	5 627	-19.4%	1 887	1 322	-29.9%
CIS and East-Europe	71	0	-100.0%	0	0	
Other	2 489	2 093	-15.9%	711	302	-57.5%
<b>Total sales revenue</b>	<b>43 185</b>	<b>48 221</b>	<b>11.7%</b>	<b>12 670</b>	<b>11 064</b>	<b>-12.7%</b>
<b>EBITDA</b>	<b>2 212</b>	<b>1 513</b>	<b>-31.6%</b>	<b>1 112</b>	<b>-212</b>	<b>-119.1%</b>
<b>Operating profit</b>	<b>418</b>	<b>-290</b>	<b>-169.4%</b>	<b>643</b>	<b>-670</b>	<b>-204.2%</b>

### **Rába Automotive Components Ltd.**

The sales revenue of Rába Automotive Components Ltd. amounted to HUF 17.2 billion in Q1-Q4 of 2023, a decrease by 8.0 per cent compared to the base period.

Rába Automotive Components Ltd. generates a significant part of its turnover on the European market.

**European exports** in Q1-Q4 of 2023 reached EUR 17.3 million, a decrease of 15.2 per cent compared to EUR 20.4 million in the base period of 2022.

**Domestic sales revenue** before consolidation in the reporting period amounted to HUF 10,592 million compared to HUF 10,663 million in Q1-Q4 of 2022, a decrease by 0.7 per cent.

The sales figures and their comparison for the base period with the period in review are fundamentally affected by the fact that in the framework of efficiency improvement measures, the organisational and operational management of the Sárvár site of the Components business unit was transferred from the Components business unit to the Axle business unit in Q3 2022.

At operating level, the Business unit generated a profit of HUF 672 million in the period under review, compared to a profit of HUF 785 million in the base period in 2022.

At the EBITDA level, the operating profit of the Components business unit for the period under review amounted to HUF 938 million, compared to HUF 1,180 million a year earlier.

million HUF	Q1-Q4 2022	Q1-Q4 2023	Change	Q4 2022	Q4 2023	Change
EU - export	8 001	6 605	-17.4%	1 200	1 670	39.2%
EU - domestic	10 663	10 592	-0.7%	2 530	2 655	4.9%
<b>Total sales revenue</b>	22	0	-100.0%	0	0	
<b>EBITDA</b>	18 686	17 197	-8.0%	3 730	4 325	16.0%
<b>Operating profit</b>	1 180	938	-20.5%	190	240	26.3%
EU - export	785	672	-14.4%	120	181	50.8%

### Rába Vehicle Ltd.

The sales revenue of Rába Vehicle Ltd. generated in Q1-Q4 of 2023 was 39.9 per cent higher than the base period level, increasing from HUF 1,890 million to HUF 2,645 million.

The majority of Rába Vehicle Ltd. 's sales are realised on the domestic market, while it sells on the European market on a project basis.

**European exports** in the cumulative period of 2023 amounted to EUR 1.9 million, which is almost equal to the turnover for the 2022 base period.

**The domestic sales revenue** before consolidation in the 2023 business year was HUF 1,922 million, an increase of 65.7 per cent.

As from 1 January, 2023, the Rába Development Institute, performing R+D activities has been integrated into Rába Vehicle Ltd. from Rába Axle Ltd.

The operating profit amounted to HUF 432 million during the reporting period, compared to the profit of HUF 355 million during the base period last year.

At the EBITDA level, the operating profit of the Vehicle business unit for the period was HUF 462 million compared to HUF 365 million in Q1-Q4 of 2022.

million HUF	Q1-Q4 2022	Q1-Q4 2023	Change	Q4 2022	Q4 2023	Change
EU - export	730	712	-2.5%	307	0	0.0%
EU - domestic	1 160	1 922	65.7%	512	567	10.7%
Other	0	12		0	9	
<b>Total sales revenue</b>	1 890	2 645	39.9%	819	576	-29.7%
<b>EBITDA</b>	365	462	26.6%	228	96	-57.9%
<b>Operating profit</b>	355	432	21.7%	225	89	-60.4%

### REKARD LLC.

As from Q3 2022, the portfolio of the Rába Group has been expanded, REKARD LLC. will continue to operate as a wholly owned Rába subsidiary included in the consolidation of the Rába Group.

REKARD LLC. realised HUF4,977 million in sales revenue in Q1-Q4 of 2023.

REKARD LLC. realises a significant part of its sales on the European market.

The realised sales revenue of **European exports** in 2023 was EUR 9.1 million.

**Domestic sales** revenue before consolidation reached HUF 1,450 million in the review period.

The operating profit for Q1-Q4 of 2023 was HUF 404 million.

At EBITDA level, REKARD LLC.'s operating profit for the period was HUF 587 million.

million HUF	Q1-Q4 2022	Q1-Q4 2023	Change	Q4 2022	Q4 2023	Change
EU - export	0	3 493	n.é.*	865	594	-31,3%
EU - domestic	0	1 450	n.é.*	385	354	-8,1%
Other	0	34	n.é.*	6	19	216,7%
<b>Total sales revenue</b>	0	4 977	n.é.*	1 257	968	-23,0%
<b>EBITDA</b>	0	587	n.é.*	5	99	1880,0%
<b>Operating profit</b>	0	404	n.é.*	-56	61	-208,9%

\* not applicable: in H1 of 2022 Re kard LLC. was not yet a full member of the consolidated companies

## Rába Group

The Rába Group achieved consolidated sales revenues of HUF 72.8 billion in Q1-Q4 of 2023, an increase of 13.2 per cent compared to the HUF 64.3 billion in the base period of 2022.

The operating profit of the group during the current period amounted to HUF 1,340 million, compared to the HUF 2,044 million during the same period a year earlier.

During the reporting period, the financial result showed a profit of HUF 613 million, which includes, among other things, net interest payments of HUF 145 million and unrealised loan revaluations of HUF 366 million due to exchange rate decline.

Based on the above, the Rába Group achieved a net profit of HUF 1,185 million in Q1-Q4 of 2023 compared to losses of HUF 1,632 million in the same period last year.

At EBITDA level, the Rába Group achieved a profit of HUF 3,900 million in the review period, compared to HUF 4,630 million a year earlier.

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

### Sales revenue by business units

Sales revenue (HUF million)	Axle	Components	Vehicle	Rekard	Rába Group consolidated
2022 Q1	8 837	4 464	121		13 265
2022 Q2	11 170	5 267	501		16 742
2022 Q3	10 508	5 226	449	1 026	15 839
<b>2022 Q4</b>	<b>12 670</b>	<b>3 730</b>	<b>819</b>	<b>1 257</b>	<b>18 500</b>
2023 Q1	13 732	4 753	244	1 704	20 332
2023 Q2	12 982	4 390	880	1 492	19 692
2023 Q3	10 443	3 729	945	813	15 949
<b>2023 Q4</b>	<b>11 064</b>	<b>4 325</b>	<b>576</b>	<b>968</b>	<b>16 868</b>

### Breakdown of the sales revenues for Q1-Q4 2023

HUF million	America	EU			Other	Total
		Total	export	domestic		
Axle	3 803	42 325	36 698	5 627	2 093	<b>48 221</b>
Components	0	17 197	6 605	10 592	0	<b>17 197</b>
Vehicle	12	2 633	712	1 922	0	<b>2 645</b>
Gearbox	2	4 943	3 493	1 450	33	<b>4 977</b>
<b>Consolidated</b>	<b>3 816</b>	<b>66 900</b>	<b>47 511</b>	<b>19 389</b>	<b>2 125</b>	<b>72 842</b>

### Operating profit of group companies

	Operating profit									
	2022					2023				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Axle	-771	692	-146	643	418	40	402	-62	-670	-290
Components	19	357	289	120	785	209	336	-54	181	672
Vehicle	-28	85	73	225	355	-34	203	174	89	432
Gearbox			118	-56	62	106	222	15	61	404
Other	296	100	1	27	424	188	137	45	-248	122
<b>Total</b>	<b>-484</b>	<b>1 234</b>	<b>335</b>	<b>959</b>	<b>2 044</b>	<b>509</b>	<b>1 300</b>	<b>118</b>	<b>-587</b>	<b>1 340</b>

### Companies involved in the consolidation

Name	Share/Issue capital 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
REKARD LLC.	100 000	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).

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME UNDER IFRS (IFRS INCOME STATEMENT)**

data in thousand HUF

Description of item	Q1-Q4 2022	Q1-Q4 2023	Index	Q4 2022	Q4 2023	Index
Domestic sales revenues	17 753 083	19 389 332	109.2%	5 337 285	4 832 719	90.5%
Export sales revenues	46 593 494	53 452 567	114.7%	13 162 695	12 035 038	91.4%
<b>Sales revenues</b>	<b>64 346 577</b>	<b>72 841 899</b>	<b>113.2%</b>	<b>18 499 979</b>	<b>16 867 757</b>	<b>91.2%</b>
Direct cost of sales	53 111 893	61 775 941	116.3%	15 097 556	15 471 687	102.5%
<b>Gross profit</b>	<b>11 234 684</b>	<b>11 065 958</b>	<b>98.5%</b>	<b>3 402 423</b>	<b>1 396 071</b>	<b>41.0%</b>
Cost of sales and marketing	493 963	590 728	119.6%	140 683	108 339	77.0%
General overhead and administration expenses	9 135 675	9 251 690	101.3%	2 336 737	2 249 526	96.3%
Other revenues	982 762	970 042	98.7%	129 338	596 336	461.1%
Other expenditures	543 835	853 395	156.9%	95 071	220 974	232.4%
<b>Total other operating expenses</b>	<b>-9 190 711</b>	<b>-9 725 771</b>	<b>105.8%</b>	<b>-2 443 153</b>	<b>-1 982 503</b>	<b>81.1%</b>
<b>Revenue from operations</b>	<b>2 043 973</b>	<b>1 340 187</b>	<b>65.6%</b>	<b>959 271</b>	<b>-586 432</b>	<b>-61.1%</b>
Financial revenues	551 933	1 479 680	268.1%	-574 344	696 183	-121.2%
Financial expenditures	1 627 102	866 586	53.3%	-1 192 326	346 316	-29.0%
<b>Net financial profit/loss</b>	<b>-1 075 169</b>	<b>613 094</b>	<b>57.0%</b>	<b>617 982</b>	<b>349 867</b>	<b>56.6%</b>
Profit from the acquisition of a subsidiary	428 209	0	0.0%	428 209	0	0.0%
Profit from the acquisition of an affiliated company	714 352	0	0.0%	605 741	0	0.0%
<b>INVESTMENT INCOME FROM PURCHASES</b>	<b>1 142 561</b>	<b>0</b>	<b>0.0%</b>	<b>1 033 950</b>	<b>0</b>	<b>0.0%</b>
<b>PROFIT BEFORE TAXATION</b>	<b>2 111 365</b>	<b>1 953 281</b>	<b>92.5%</b>	<b>2 611 203</b>	<b>-236 565</b>	<b>-9.1%</b>
<b>Profit tax</b>	<b>479 198</b>	<b>768 662</b>	<b>160.4%</b>	<b>164 276</b>	<b>249 266</b>	<b>151.7%</b>
<b>PROFIT AFTER TAXATION IN THE CURRENT YEAR</b>	<b>1 632 170</b>	<b>1 184 619</b>	<b>72.6%</b>	<b>2 446 927</b>	<b>-485 831</b>	<b>-19.9%</b>
Basic earnings per share (HUF)	121	88				
Diluted earnings per share (HUF)	121	88				

**1. EARNED REVENUES**

In Q1-Q4 of 2023, RÁBA Plc. realised a turnover of HUF 72,842 million, a change of 13.2 per cent compared to HUF 64,347 million in the same period of the previous year. 73.4 per cent of turnover in the period under review was export, the rest was domestic sales.

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

RÁBA Plc's direct cost level in Q1-Q4 of 2023 was 84.8 per cent compared to 82.5 per cent in the base period. Direct costs amounted to HUF 61,776 million, which is 16.3 per cent more than in the base period (Q1-Q4 of 2022: HUF 53,112 million).

**Changes in gross profit**

The gross yield changed from HUF 11,235 million in the base period to HUF 11,066 million (a decrease of HUF 169 million), which is the result of an increase in sales revenue by HUF 8,495 million and in direct costs by HUF 8,664 million.

**2.2. Cost of sales**

Cost of sales increased by 19.6 per cent to HUF 591 million in Q1-Q4 of 2023 compared to HUF 494 million in Q1-Q4 of 2022.

**2.3. General overhead and administration expenses**

The Company reports under general and administrative expenses (Q1-Q4 of 2023: HUF 9,252 million, Q1-Q4 of 2022: HUF 9,136 million) the administrative expenses (Q1-Q4 of 2023: HUF 3,689 million) and other general expenses (Q1-Q4 of 2023: HUF 5,563 million).



**2.4. Other revenues, expenditures**

The balance of other income and expenses was a profit of HUF 117 million in the period under review, compared to a profit of HUF 439 million in the same period of the previous year. The result of the period was significantly influenced by the impairment and write-off of stocks and receivables in the value of HUF 290 million. The result from other activities during the base period also included the proceeds from a one-off property transaction, amounting to HUF 342 million.

**3. OPERATING PROFIT**

The Company's operating result in Q1-Q4 of 2023 was HUF 1,340 million (Q1-Q4 of 2022: HUF 2,044 million). The decrease in operating profit is the result of the decline in gross profit (HUF -169 million), the combined change in sales and general overhead and administrative expenses (HUF -213 million) and the change in the balance of other income and expenses (HUF -322 million). Profitability changed from 3.2 per cent in the base period to 1.8 per cent. Profitability of operating profit + depreciation decreased to 5.4 per cent compared to 7.2 per cent in the base period.

**4. FINANCIAL REVENUES AND EXPENDITURES**

The net financial result for Q1-Q4 of 2023 was a profit of HUF 613 million, compared to a loss of HUF 1,075 million in the base period.

The net result on interest income and expenses in Q1-Q4 of 2023 was HUF -145 million (HUF -125 million in the base period).

The net exchange rate difference on foreign exchange items in Q1-Q4 of 2023 was HUF 755 million (HUF -940 million in the base period).

The composition of financial income and expenses is shown in the table below:

data in HUF thousand	Q1-Q4 of 2022	Q1-Q4 of 2023
Interest income	10 320	298 841
Exchange rate gains	541 613	1 144 882
Other financial revenues	0	35 958
<b>Financial revenues</b>	<b>551 933</b>	<b>1 479 681</b>
Interest payable	135 207	443 893
Exchange rate loss	1 482 106	390 187
Other financial expenditures	9 789	32 507
<b>Financial expenditures</b>	<b>1 627 102</b>	<b>866 587</b>

**5. PROFIT IN THE CURRENT YEAR**

The profit before tax for Q1-Q4 of 2023 was HUF 1,953 million, which is HUF 158 million less than in Q1-Q4 of 2022 due to the factors discussed in sections 1-4. The profitability margin at the profit before tax level corresponds to a profitability on sales of 2.68 per cent, compared to 3.28 per cent in the base period.

At group level, a tax liability of HUF 769 million was incurred in the period. Of this amount, the corporate tax liability amounted to HUF 134 million, the business tax liability to HUF 472 million, the innovation contribution liability to HUF 83 million and the deferred tax expense for the current period to HUF 80 million.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION UNDER IFRS (IFRS BALANCE SHEET)**

data in thousand HUF

Definition of item	31.12.2022	31.12.2023	Index
Real properties, machines, equipment	26 043 001	29 788 760	114.4%
Intangible assets	47 336	42 066	88.9%
Other long-term assets	0	0	-35.7%
Property for investment purposes	331 522	331 522	100.0%
Other investments	205	2 655	1292.6%
Deferred tax receivables	32 405	34 240	105.7%
<b>Total invested assets</b>	<b>26 454 469</b>	<b>30 199 244</b>	<b>114.2%</b>
Inventories	15 987 210	14 096 904	88.2%
Trade receivables and other receivables	9 073 011	7 392 915	81.5%
Profit tax receivables	0	0	
Other non-financial assets and receivables	3 010 864	2 118 108	70.3%
Cash and cash equivalents	8 561 673	4 412 412	51.5%
<b>Total current assets</b>	<b>36 632 758</b>	<b>28 020 339</b>	<b>76.5%</b>
<b>Total assets</b>	<b>63 087 227</b>	<b>58 219 583</b>	<b>92.3%</b>
Registered capital	13 473 446	13 473 446	100.0%
Treasury shares	-108 952	-108 952	100.0%
Retained earnings	9 447 999	10 632 618	112.5%
<b>Total equity and reserves</b>	<b>22 812 493</b>	<b>23 997 112</b>	<b>105.2%</b>
Long-term credits and loans	14 382 585	10 459 174	72.7%
Provisions	0	23 748	
Deferred tax liability	238 635	320 180	134.2%
Leasing liability	38 092	41 569	109.1%
Others long-term liabilities	2 925 705	2 730 159	93.3%
<b>Total long-term liabilities</b>	<b>17 585 017</b>	<b>13 574 830</b>	<b>77.2%</b>
Provisions	374 677	382 608	102.1%
Profit tax liability	151 031	169 004	111.9%
Leasing liability	41 789	37 649	90.1%
Short-term portion of loans and credits	7 964 535	5 816 514	73.0%
Trade liabilities and other liabilities	10 374 587	8 679 011	83.7%
Other non-financial liabilities	3 783 098	5 562 855	147.0%
<b>Total short-term liabilities</b>	<b>22 689 717</b>	<b>20 647 641</b>	<b>91.0%</b>
<b>Total equity and liabilities</b>	<b>63 087 227</b>	<b>58 219 583</b>	<b>92.3%</b>

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

The consolidated net value of property, plant and equipment changed from HUF 26,043 million at 31 December, 2022 to HUF 29,789 million. The change is a 14.4 per cent increase. Depreciation of tangible assets in Q1-Q4 of 2023 was HUF 2,545 million.

In accordance with the provisions of the Standard IFRS 16, the value of the assets, forklift trucks and passenger cars, the right to use of which was transferred to Rába by the lessor, amounted to HUF 92 million on 1 January 2023, and acquisitions in the period under review amounted to HUF 58 million. Depreciation on these assets amounted to HUF 66 million in the period.

**1.2. Intangible assets**

The net value of intangible assets changed from HUF 47 million to HUF 42 million. The change is a 11.1 per cent decrease. The amount of depreciation accounted during the period was HUF 15 million.

**1.3. Other long-term assets**

The Company has no other long-term assets during the base and the review period.

**1.4. Property for investment purposes**

The carrying amount of investment property at 31 December, 2023 was HUF 332 million, unchanged compared to the base period.

**1.5. Investments**

The Company reported other investments in the amount of 0.2 million in both the base period, which increased to HUF 2.7 million during the balance sheet of the review period.

**1.6. Deferred tax receivables**

The value of the receivable at 31 December, 2023 was HUF 34 million, a minimal change compared to the base period.

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

The closing value of inventories at 31 December, 2023 was HUF 14,097 million (31 December 2022: HUF 15,987 million). The change is a decrease by HUF 1,890 million. The components of the change are: materials and goods decreased by HUF 1,867 million, work in progress, semi-finished and finished goods increased by HUF 23 million.

**2.2. Trade receivables and other receivables**

The receivables line has been split into receivables from customers and other receivables and other non-financial assets and receivables. The closing value of receivables from customers and other receivables as at 31 December, 2023 was HUF 7,393 million, HUF 1,680 million less than the closing value as at 31 December 2022 (closing value as at 31 December 2022: HUF 9,073 million). The closing value of other non-financial assets and receivables as at 31 December, 2023 was HUF 2,118 million, HUF 893 million less than the closing value as at 31 December 2022 (closing value as at 31 December 2022: HUF 3,011 million). Within other non-financial assets and receivables, advances for investments and inventories increased by HUF 105 million and other receivables decreased by HUF 998 million.

**2.3. Profit tax receivables**

At the end of the period under review, the Group had an overall income tax liability similar to the base period.

**2.4. Liquid assets**

The closing value of cash and cash equivalents as at 31 December, 2023 was HUF 4,412 million, HUF 4,150 million less than the value as at 31 December 2022 (HUF 8,562 million).

**3. EQUITY AND RESERVES**

The change occurred as follows:

data in HUF thousand

	Registered capital	Treasury shares	Reserve from share-based payments	Retained earnings	Other aggregate income	Total shareholders' equity
Balance as at 01.01.2022	13 473 446	-108 952	0	7 815 829	0	21 180 323
Profit for current year				1 632 170	0	1 632 170
Balance as at 01.01.2023	13 473 446	-108 952	0	9 447 999	0	22 812 493
Profit for current year				1 184 619	0	1 184 619
Balance as at 31.12.2023	13 473 446	-108 952	0	10 632 618	0	23 997 112

**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, 2023, the share capital of the Company was HUF 13,473 million.

**3.2. Treasury shares**

The value of treasury shares at 31 December, 2023 was HUF 108,952 thousand (120,681 shares), no change compared to 31 December 2022. 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 10,633 million) increased by HUF 1,185 million compared to the previous year (HUF 9,448 million).

**4. LONG-TERM LIABILITIES****4.1. Long-term credits and loans, leasing liabilities**

The closing value of long-term loans and borrowings as at 31 December, 2023 was HUF 10,501 million, 27.2 per cent lower than the opening balance (closing value as at 31 December 2022: HUF 14,420 million).

As of 1 January 2023, the Company had a long-term lease liability of HUF 38 million and a short-term lease liability of HUF 42 million related to lease agreements identified in accordance with the provisions of the IFRS 16 Leasing standard. In the reporting year, total lease liabilities decreased by 0.6 million compared to the base period, with a 9.1 per cent increase in long-term lease liabilities.

**4.2. Provisions**

The closing value of the provisions at 31 December, 2023 was HUF 406 million, which is a current liability.

**4.3. Deferred tax liabilities**

As of 31 December, 2023, the Company had a deferred tax liability of HUF 320 million, which is HUF 81 million less than the amount as of 31 December, 2022.

**5. SHORT-TERM LIABILITIES****5.1. Short-term credits and loans, leasing liabilities**

The short-term loans and borrowings amounted to HUF 5,817 million, a decrease of 27 per cent compared to the closing balance at 31 December 2022 (HUF 7,965 million). Current lease liabilities amounted to HUF 38 million, a change of HUF 4 million compared to 31 December, 2022.

The net loan portfolio of Rába Group as at 31 December, 2023 was HUF 11,863 million, a decline of HUF 1,922 million compared to the portfolio as at 31 December, 2022.

**5.2. Provisions**

The current portion of provisions amounted to HUF 383 million at 31 December 2023, an increase by HUF 8 million compared to 31 December of the previous year.

**5.3. Profit tax liability**

At 31. December, 2023, the Group had a total income tax liability of HUF 169 million, of which HUF 92 million was local business tax liability, HUF 36 million was corporate tax payable and HUF 41 million was innovation contribution payable.

As of 31 December 2022, the income tax liability amounted to HUF 151 million, of which HUF 47 million was local business tax liability, HUF 86 million was corporate tax liability and HUF 18 million was innovation contribution liability.

**5.4. Trade and other current liabilities**

The suppliers balance sheet line was split into trade and other liabilities and other non-financial liabilities. Trade and other current liabilities amounted to HUF 8,679 million as at 31 December, 2023, which is 16.3 per cent lower than the closing value as at 31 December 2022 (HUF 10,375 million).

Other non-financial liabilities amounted to HUF 5,563 million as at 31 December, 2023, which is 47 per cent higher than the closing value as at 31 December, 2022 (HUF 3,783 million).

Accounts payable decreased by HUF 1,696 million, accrued expenses and deferred income also decreased by HUF 350 million, and other liabilities increased by HUF 2,130 million.

**CONSOLIDATED CASH-FLOW STATEMENT**

Data in HUF thousand

	31.12.2022	31.12.2023
<b>Cash-flows from operating activities</b>		
Profit before taxation	2 111 365	1 953 281
<i>Adjustment items related to items with no cash movement:</i>		
Effect of revaluation of foreign currency cash	19 800	-51 479
Interest income	0	0
Interest expenditure	35 410	-38 626
Impairment and amortisation	2 586 022	2 559 891
Impairment of intangible assets, properties, machines and equipment, scraps	22 074	10 455
Impairment of bad and doubtful debts and long-term debt	69 146	69 988
Impairment of stocks kept at net realisable value	365 485	180 425
Impairment of real properties for investment purposes	0	0
Scrapping of stocks	286 358	319 966
Creation/release of provisions	-74 785	31 679
Proceeds from the sale of property, plant and equipment and intangible assets	-401 281	-5 096
Profit on acquisition of subsidiaries and affiliated companies	-108 611	0
Revaluation of credits, loans at the end of the period	953 637	-687 708
<i>Changes in working capital:</i>		
Changes in trade receivables and other receivables	- 3 504 875	2 443 736
Changes in stocks	-5 758 478	1 389 914
Change in trade and other liabilities	3 088 635	163 634
Taxes paid	-365 819	-690 323
Interests paid	-135 207	-405 266
<b>Net cash flows from operating activity</b>	<b>-811 124</b>	<b>7 244 472</b>
<b>Cash-flows from investment activities</b>		
Purchase of properties, machinery and fixtures, as well as of intangibles	-3 093 869	-6 311 657
Revenues from the sale of property, machinery and fixtures as well as intangible assets	1 109 544	5 918
Subsidiary purchase, acquisitions without net cash	-382 765	-2 450
Interest received	10 320	298 841
<b>Net cash flows used for investment activities</b>	<b>-2 536 770</b>	<b>-6 009 348</b>
<b>Cash flows from financing activities</b>		
Credit and borrowing	15 969 171	5 533 274
Credits and loans, repayment of leasing	-5 466 303	-10 917 659
Dividend paid	0	0
<b>Net cash flows from financing activities</b>	<b>10 502 868</b>	<b>-5 384 385</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>7 334 974</b>	<b>-4 149 261</b>

**THE BASIS FOR THE PREPARATION OF THE INTERIM FINANCIAL REPORT**

The summary consolidated interim financial statements prepared in accordance with IAS 34 (Interim Financial Reporting) should be read in conjunction with the financial statements for the year ended 31 December 2022, which have been prepared in accordance with International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board ('IASB') and adopted by the European Union. The consolidated interim financial information is unaudited. RÁBA Plc. published its statutory financial statements for the year ended 31 December 2022 on the official electronic website of the Budapest Stock Exchange and on the information storage system of the National Bank of Hungary operated for capital market disclosures. These accounts as at 31 December 2022 are based on audited data and the auditor's report is unqualified.

**Major off-balance sheet items**

The bank loans of the Rába Group amount to HUF 16,276 million, of which HUF 16,276 million are secured by mortgages on real estate and movable property.

The amount of bank guarantees issued on behalf of the Rába Group is HUF 3,089 million.

**Ownership structure, ratio of participation**

Owners definition	Total equity						Series introduced <sup>1</sup>			
	Beginning of current year (01 January)			At end of period (31. December)			At start of period		At end of period	
	% <sup>2</sup>	% <sup>3</sup>	pcs	% <sup>2</sup>	% <sup>3</sup>	pcs	%	pcs	%	pcs
Domestic institutional/corporate	23.10	23.31	3 111 972	23.69	23.91	3 192 102				
Foreign institutional/corporate	1.17	1.18	158 181	1.18	1.19	159 395				
Foreign private individual	0.07	0.07	9 703	0.06	0.06	8 369				
Domestic private individual	20.26	20.44	2 729 598	19.67	19.85	2 650 463				
Employees, leading officials	0.04	0.04	5 871	0.04	0.04	4 996				
Treasury shares	0.90		120 681	0.90		120 681				
Shareholder forming part of general government <sup>4</sup>	54.46	54.95	7 337 440	54.46	54.95	7 337 440				
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, Municipalities, 100% state-owned companies etc.

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

**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	%	db	%
At corporate level	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9	120 681	0.9
Subsidiaries <sup>1</sup>	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>120 681</b>	<b>0.9</b>	<b>120 681</b>	<b>0.9</b>	<b>120 681</b>	<b>0.9</b>	<b>120 681</b>	<b>0.9</b>	<b>120 681</b>	<b>0.9</b>

<sup>1</sup> Companies involved in consolidation.

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

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

Name	Custodian (yes/no)	Quantity (pcs)	Participations (%)
N7 Holding National Defense Industrial Innovation Plc.	no	7 321 140	54.34
For the Széchenyi István University Foundation	no	2 694 689	20.00
<b>Total</b>		<b>10 015 829</b>	<b>74.34</b>

**Headcount of full-time employees (people)**

	End of base period	Beginning of current year	End of current period
At corporate level	39	39	65
At group level	1 291	1 291	1 331

The final consolidated headcount at 31 December, 2023 is 1,331. The increase compared to the end of the base period is 3.1 per cent.

**TSZ2. Executives and (strategic) employees who influence the Company's operations**

Type <sup>1</sup>	Name	Position	Assignment	
			start	end/ termination
BoD	Béla Hetzmann	chairman of the Board of Directors	2020	
BoD	Dr. Nóra Csüllög	Member of the Board of Directors	2020	
BoD	László Jakab	Member of the Board of Directors	2021	2023
BoD	Éva Lang-Péli	Member of the Board of Directors	2020	
BoD	Csaba Majoros	Member of the Board of Directors	2020	
BoD	Dániel Emánuel Mráz	Member of the Board of Directors	2020	
BoD	Attila János Simon	Member of the Board of Directors	2023	
BoD	Dr. Károly Szász	Member of the Board of Directors	2021	
SB	István Lepsényi	Chairman of the Supervisory Board	2020	2023
SB	Prof. Dr. László Palkovics	Chairman of the Supervisory Board	2023	
SB	Dr. Zsolt Harmath	Member of the Supervisory Board	2016	
SB	Dr. Sándor József Szabó	Member of the Supervisory Board	2020	
SP	Béla Hetzmann	Chief Executive Officer	2021	
SP	Éva Lang-Péli	Deputy Chief Executive	2021	
SP	Roland Fehér	Business Development Director	2021	2023
SP	Roland Fehér	Managing Director	2021	2022
SP	Roland Szilágyi	Managing Director	2022	
SP	László Urbányi	Managing Director	2005	
SP	János Torma	Managing Director	2005	
SP	Péter Vincze	Managing Director	2023	
SP	Richárd Füredi	Managing Director	2019	

<sup>1</sup> Employee in a strategic position (SP), Member of the Board of Directors (BoD), Member of the Supervisory Board (SB), Member of the Executive Board (EB)

**EVENTS FOLLOWING THE CLOSING**

In December, 2023, one of the member companies of the group, Rába Vehicle Ltd. together with the Hungarian subsidiary of Nurol Makina ve Sanayi A.S., an internationally significant Turkish defense company, established a Hungarian-Turkish joint venture (Gidrán Armored Vehicles Ltd.) in Hungary. The purpose of the joint venture is to develop the Hungarian assembly and production capabilities of the 4x4 Gidrán armoured combat vehicles within the Rába group, with the maximum domestic added value and Hungarian vendor content, primarily for the Hungarian Army.

**As from 1 January, 2017, Rába Plc. has also applied the IFRS requirements to its individual financial statements**

### **RÁBA PLC STATEMENT OF FINANCIAL POSITION (INDIVIDUAL BALANCE SHEET)**

Data in HUF thousand

Definition of item	31.12.2022	31.12.2023	Index
Real property, machines, equipment	6 784 843	7 127 468	105.05%
Intangible assets	15 547	9 518	61.22%
Other long-term assets	1 332 730	823 627	61.80%
Property for investment purposes	733 506	724 607	98.79%
Subsidiary investments	11 555 730	11 555 732	100.00%
Other investments	205	205	100.00%
Deferred tax receivables	30 655	29 421	95.97%
<b>Total invested assets</b>	<b>20 453 216</b>	<b>20 270 578</b>	<b>99.11%</b>
Inventories	14 938	71 693	479.94%
Trade receivables and other receivables	3 964 946	4 447 717	112.18%
Profit tax receivables	0	0	
Cash and cash equivalents	2 511 627	699 790	27.86%
<b>Total current assets</b>	<b>6 491 511</b>	<b>5 219 200</b>	<b>80.40%</b>
<b>Total assets</b>	<b>26 944 727</b>	<b>25 489 778</b>	<b>94.60%</b>
Registered capital	13 473 446	13 473 446	100.00%
Treasury shares	-108 952	-108 952	100.00%
Retained earnings	3 090 629	3 751 827	121.39%
<b>Total equity and reserves</b>	<b>16 455 123</b>	<b>17 116 321</b>	<b>104.02%</b>
Provisions	0	0	
Long-term credits, loans, leases	19 062	21 449	112.52%
<b>Total long-term liabilities</b>	<b>19 062</b>	<b>21 449</b>	<b>112.52%</b>
Provisions	177 334	181 343	102.26%
Short-term portion of loans and credits	48	0	0.00%
Trade liabilities and other liabilities	10 293 160	8 170 665	79.38%
<b>Total short-term liabilities</b>	<b>10 470 542</b>	<b>8 352 008</b>	<b>79.77%</b>
<b>Total equity and liabilities</b>	<b>26 944 727</b>	<b>25 489 778</b>	<b>94.60%</b>

### **RÁBA PLC COMPREHENSIVE STATEMENT OF INCOME (INDIVIDUAL) PROFIT AND LOSS STATEMENT**

Data in HUF thousand

Description of item	Q1-Q4 2022	Q1-Q4 2023	Index	Q4 2022	Q4 2023	Index
Sales revenue	2 306 974	4 107 700	178,1%	668 643	999 415	149,5%
Direct cost of sales	600 539	814 793	135,7%	212 625	199 612	93,9%
<b>Gross profit</b>	<b>1 706 435</b>	<b>3 292 907</b>	<b>193,0%</b>	<b>456 018</b>	<b>799 803</b>	<b>175,4%</b>
Cost of sales and marketing	6 532	14 596	223,5%	3 466	5 311	153,2%
General overhead and administration expenses	1 328 047	2 241 893	168,8%	289 620	550 051	189,9%
Other revenues	419 543	16 941	4,0%	56 041	4 342	7,7%
Other expenditures	233 287	368 930	158,1%	57 532	91 959	159,8%
<b>Total other operating expenses</b>	<b>-1 148 323</b>	<b>-2 608 478</b>	<b>227,2%</b>	<b>-294 577</b>	<b>-642 979</b>	<b>218,3%</b>
<b>Revenue from operations</b>	<b>558 112</b>	<b>684 429</b>	<b>122,6%</b>	<b>161 441</b>	<b>156 824</b>	<b>97,1%</b>
Financial revenues	202 139	185 003	91,5%	112 403	118 347	105,3%
Financial expenditures	269 585	117 596	43,6%	4 976	74 012	1487,4%
<b>Net financial profit/loss</b>	<b>-67 446</b>	<b>67 407</b>	<b>-99,9%</b>	<b>107 427</b>	<b>44 335</b>	<b>41,3%</b>
Income from the acquisition of an associated company	108 611	0	0,0%	0	0	
<b>PROFIT BEFORE TAXATION</b>	<b>605 740</b>	<b>0</b>	<b>0,0%</b>	<b>605 740</b>	<b>0</b>	<b>0,0%</b>
<b>Profit tax</b>	<b>1 205 017</b>	<b>751 836</b>	<b>62,4%</b>	<b>874 608</b>	<b>201 159</b>	<b>23,0%</b>
<b>PROFIT/LOSXS IN THE CURRENT YEAR</b>	<b>80 898</b>	<b>90 641</b>	<b>112,0%</b>	<b>48 327</b>	<b>20 390</b>	<b>42,2%</b>
<b>TOTAL COMPREHENSIVE PROFIT/LOSS FOR THE YEAR</b>	<b>1 124 119</b>	<b>661 195</b>	<b>58,8%</b>	<b>826 281</b>	<b>180 769</b>	<b>21,9%</b>
<b>EBITDA</b>	<b>1 124 119</b>	<b>661 195</b>	<b>58,8%</b>	<b>826 281</b>	<b>180 769</b>	<b>21,9%</b>



## **SEGMENT INFORMATION**

From a business point of view, the Group can be divided into four main segments, the Axle, the Vehicle, the Components and – following the integration of REKARD LLC. – the Gearbox segments.

The Group prepares segment information for the management based on this business segment breakdown. Management is responsible for allocating business resources to the segments and holding them accountable for performance.

The Axle segment encompasses the manufacturing and sale of axles, axle parts and components, truck and bus chassis and related components, the Vehicle segment comprises the assembly and sale of vehicles and after-sales service and spare parts supply activities, and the Components segment includes the manufacturing of vehicle components, seat frames, pressed structures, seat covers and the sale of these products. The Gearbox segment includes the production of gearboxes, angle drives, sliding clutches, assembled units and high value-added spare parts for agricultural aggregates.

The Rába Development Institute conducts R+D activities within the Vehicle Business Unit.

Segment results, segment assets and segment liabilities include items that are directly attributable to the segment. The unallocated items include the revenue, expenditure, assets and liabilities of the holding centre.

Segment capital expenditure is the total expenditure incurred during the period on the acquisition of property, machinery and equipment and intangible assets.

	Q1-Q4 OF 2022							Axle IFRS	Q4 2022.					
	Axle IFRS	Vehicles IFRS	Components IFRS	Drive IFRS	Undivided	Filtering between segments	Consolidated		Vehicles IFRS	Components IFRS	Drive IFRS	Undivided	Filtering between segments	Consolidated
Revenues	39 930 506	1 890 406	19 636 669	2 206 566	682 431	0	64 346 577	9 709 919	819 372	6 414 126	1 225 559	144 034	186 969	18 499 979
Revenue between segments	567 478	60	1 736 356	76 671	1 624 543	-4 005 109	0	273 732	0	2 154	31 476	524 609	-831 971	0
<b>Total revenues from sales</b>	<b>40 497 984</b>	<b>1 890 466</b>	<b>21 373 026</b>	<b>2 283 237</b>	<b>2 306 974</b>	<b>-4 005 109</b>	<b>64 346 577</b>	<b>9 983 652</b>	<b>819 372</b>	<b>6 416 280</b>	<b>1 257 035</b>	<b>668 643</b>	<b>-645 002</b>	<b>18 499 979</b>
<b>Direct cost of sales</b>	-34 405 529	-1 381 761	-17 717 723	-1 928 580	-600 539	2 922 239	-53 111 893	-8 074 915	-573 876	-5 186 686	-1 157 396	-212 624	107 941	-15 097 556
<b>GROSS PROFIT</b>	<b>6 092 453</b>	<b>508 706</b>	<b>3 655 303</b>	<b>354 657</b>	<b>1 706 435</b>	<b>-1 082 870</b>	<b>11 234 684</b>	<b>1 908 736</b>	<b>245 496</b>	<b>1 229 596</b>	<b>99 638</b>	<b>456 019</b>	<b>-537 061</b>	<b>3 402 423</b>
Cost of sales and marketing	-378 417	-28 646	-233 974	-36 473	-6 532	190 079	-493 963	-82 842	-9 846	-79 944	-17 881	-3 466	53 295	-140 684
General and administration expenses	-5 365 104	-164 856	-2 481 599	-339 616	-1 328 047	543 549	-9 135 674	-1 172 440	-53 830	-785 650	-169 397	-289 619	134 201	-2 336 735
Other revenues	495 294	50 013	332 325	27 456	193 530	-115 856	982 762	140 852	49 999	185 172	15 379	-169 972	-92 091	129 338
Other expenditures	-561 520	-9 849	-351 704	55 901	-58 654	381 992	-543 835	-286 820	-5 966	-293 952	16 340	117 101	358 227	-95 071
<b>TOTAL OTHER OPERATING EXPENSES</b>	<b>-5 809 748</b>	<b>-153 338</b>	<b>-2 734 953</b>	<b>-292 732</b>	<b>-1 199 703</b>	<b>999 764</b>	<b>-9 190 712</b>	<b>-1 401 250</b>	<b>-19 643</b>	<b>-974 376</b>	<b>-155 559</b>	<b>-345 957</b>	<b>453 632</b>	<b>-2 443 153</b>
<b>REVENUE FROM OPERATIONS</b>	<b>282 705</b>	<b>355 367</b>	<b>920 350</b>	<b>61 924</b>	<b>506 732</b>	<b>-83 106</b>	<b>2 043 973</b>	<b>507 486</b>	<b>225 853</b>	<b>255 220</b>	<b>-55 921</b>	<b>110 062</b>	<b>-83 429</b>	<b>959 271</b>
Interest income	9 072	12 618	1 417	9 158	86 670	-108 616	10 320	8 485	6 976	211	6 049	55 488	-108 616	6 937
Interest expenditure	-109 713	-2 649	-32 565	-916	-59 164	69 800	-135 207	-41 278	-722	-14 368	-602	-21 288	69 800	-46 802
Profit tax expense	-242 115	14 741	-181 993	11 070	-80 898	0	-479 195	-129 647	25 843	-33 108	20 964	-48 327	0	-164 276
<b>Assets</b>								0	0	0	0	0	0	0
Properties, machines and equipment	16 297 703	72 849	2 039 954	503 923	7 186 827	-58 255	26 043 001	-1 509 559	2 478	545 694	115 713	670 828	-79 375	-254 220
Intangible assets	29 016	1 168	1 256	323	15 547	27	47 336	20 816	-163	-87	-24	13 232	27	33 800
Property for investment purposes	0	0	0	0	331 522	0	331 522	0	0	0	0	-410 883	0	-410 883
Other long-term assets	0	0	0	0	1 332 730	-1 332 730	0	0	0	-11	0	38 816	-38 816	-11
Inventories	12 377 361	164 804	2 096 868	1 337 315	14 938	-4 075	15 987 210	-830 524	67 785	687 932	208 392	-69 438	-4 081	60 067
Receivables	8 821 974	5 031 420	7 155 039	847 437	3 964 946	-13 736 941	12 083 875	-1 615 901	772 268	952 388	50 101	764 920	-2 708 777	-1 785 001
Cash and cash equivalents	5 571 749	10 995	4 545	462 757	2 511 627	0	8 561 673	5 048 197	-31 062	-7 101	-41 387	1 465 679	0	6 434 326
<b>Liabilities</b>								0	0	0	0	0	0	0
Provisions	67 894	12 791	105 754	0	177 334	0	374 677	-44 362	-38 053	-23 305	0	10 477	-2	-113 940
Liabilities	12 440 080	960 323	3 347 686	1 670 703	9 687 414	-13 755 701	14 350 505	-5 481 672	622 655	-118 349	417 369	1 631 424	-2 606 320	-5 534 894
Capital expenditure	2 396 804	65 187	172 901	350 191	723 173	0	3 708 256	-508 977	-61 060	-13 226	267 314	437 573	0	121 624
Depreciation	1 714 426	9 214	474 519	110 273	277 912	-323	2 586 022	389 742	2 109	149 533	61 447	71 850	0	674 681

## Consolidated report of Rába Plc on its operation during Q1-Q4 of 2023 under IFRS

	Q1-Q4 OF 2023.								Q4 2023.						
	Axle IFRS	Vehicles IFRS	Components IFRS	Drive IFRS	Undivided	Filtering between segments	Consolidated		Axle IFRS	Vehicles IFRS	Components IFRS	Drive IFRS	Undivided	Filtering between segments	Consolidated
Revenues	41 897 203	2 291 812	23 222 472	4 772 156	658 255	0	72 841 899	9 597 845	503 267	5 753 434	905 802	107 410	0	16 867 758	
Revenue between segments	290 210	353 231	7 264	204 875	3 449 445	-4 305 024	0	37 199	72 809	721	61 805	892 006	-1 064 540	0	
<b>Total revenues from sales</b>	<b>42 187 413</b>	<b>2 645 043</b>	<b>23 229 736</b>	<b>4 977 031</b>	<b>4 107 700</b>	<b>-4 305 024</b>	<b>72 841 899</b>	<b>9 635 044</b>	<b>576 076</b>	<b>5 754 155</b>	<b>967 608</b>	<b>999 415</b>	<b>-1 064 540</b>	<b>16 867 758</b>	
<b>Direct cost of sales</b>	<b>-37 275 569</b>	<b>-2 010 001</b>	<b>-20 129 047</b>	<b>-3 843 044</b>	<b>-814 793</b>	<b>2 476 937</b>	<b>-61 775 941</b>	<b>-9 306 268</b>	<b>-410 833</b>	<b>-5 179 659</b>	<b>-766 457</b>	<b>-199 612</b>	<b>571 569</b>	<b>-15 471 686</b>	
<b>GROSS PROFIT</b>	<b>4 911 844</b>	<b>635 043</b>	<b>3 100 689</b>	<b>1 133 987</b>	<b>3 292 908</b>	<b>-1 828 087</b>	<b>11 065 958</b>	<b>328 776</b>	<b>165 242</b>	<b>574 496</b>	<b>201 151</b>	<b>799 804</b>	<b>-492 972</b>	<b>1 396 072</b>	
Cost of sales and marketing	-376 602	-20 863	-128 059	-60 607	-14 596	10 000	-590 728	-57 718	-6 703	-31 263	-9 844	-5 312	2 500	-108 339	
General and administration expenses	-6 001 065	-167 021	-1 976 064	-668 233	-2 241 891	1 802 583	-9 251 690	-1 445 067	-51 735	-533 720	-143 924	-550 049	474 968	-2 249 526	
Other revenues	1 223 009	17 211	264 400	40 414	16 943	259	970 042	757 705	10 181	208 047	3 766	4 344	51 629	596 335	
Other expenditures	-521 590	-32 440	-114 699	-42 042	-368 930	45 880	-853 395	-284 495	-28 363	-6 155	9 573	-91 959	0	-220 974	
<b>TOTAL OTHER OPERATING EXPENSES</b>	<b>-5 676 248</b>	<b>-203 113</b>	<b>-1 954 422</b>	<b>-730 468</b>	<b>-2 608 474</b>	<b>1 858 722</b>	<b>-9 725 771</b>	<b>-1 029 575</b>	<b>-76 620</b>	<b>-363 090</b>	<b>-140 430</b>	<b>-642 975</b>	<b>529 097</b>	<b>-1 982 505</b>	
<b>REVENUE FROM OPERATIONS</b>	<b>-764 404</b>	<b>431 929</b>	<b>1 146 267</b>	<b>403 519</b>	<b>684 434</b>	<b>30 636</b>	<b>1 340 187</b>	<b>-700 799</b>	<b>88 622</b>	<b>211 405</b>	<b>60 722</b>	<b>156 828</b>	<b>36 126</b>	<b>-586 432</b>	
Interest income	337 037	106 779	78 944	1 349	303 893	-18 693	298 841	130 309	86 489	78 347	0	239 947	0	122 965	
Interest expenditure	-469 507	-13 689	-59 364	-37 687	-301 979	18 762	-443 893	-191 130	-5 332	-13 250	-12 660	-225 298	0	-126 441	
Profit tax expense	-317 689	-62 038	-221 464	-76 829	-90 641	0	-768 662	-102 269	-18 768	-93 052	-14 786	-20 390	0	-249 266	
<b>Assets</b>								0	0	0	0	0	0	0	
Properties, machines and equipment	18 203 133	690 692	2 460 719	926 646	7 127 468	380 103	29 788 760	1 770 137	2 766	243 537	139 646	84 609	48 538	2 289 233	
Intangible assets	30 775	516	1 007	226	9 515	27	42 066	-1 838	-163	-57	-24	-1 457	0	-3 540	
Property for investment purposes	0	0	0	0	724 606	-393 084	331 522	0	0	0	0	-2 225	2 225	0	
Other long-term assets	0	0	0	0	823 627	-823 627	0	0	0	0	0	-509 103	509 103	0	
Inventories	11 045 006	51 611	1 832 450	1 114 858	71 692	-18 713	14 096 904	-2 021 032	-21 962	-569 678	-92 622	53 560	-14 638	-2 666 373	
Receivables	6 432 106	4 351 091	5 367 447	503 028	4 447 717	-11 590 367	9 511 023	-1 910 811	73 804	-61 758	-462 598	462 790	-1 181 080	-3 079 651	
Cash and cash equivalents	3 682 559	15 888	9 986	4 188	699 790	0	4 412 412	-1 656 897	-12 335	-32 728	-74 600	279 447	0	-1 497 112	
<b>Liabilities</b>								0	0	0	0	0	0	0	
Provisions	78 629	13 100	98 630	34 652	181 345	0	406 356	10 735	309	-7 121	23 744	181 345	0	31 679	
Liabilities	16 693 048	322 078	3 905 350	491 866	8 222 044	-11 655 491	17 978 896	148 682	-111 170	-401 168	-515 842	1 352 175	-753 000	-280 322	
Capital expenditure	3 555 809	639 860	635 842	745 615	666 797	0	6 243 923	3 052 074	97 825	218 842	238 552	89 936	0	3 697 229	
Depreciation	1 626 598	29 960	443 962	183 673	274 833	866	2 559 891	417 803	7 132	100 458	38 255	68 845	866	633 359	

**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, 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 business position.

Győr, 21 February, 2024

Béla Hetzmann  
Chairman-Chief Executive Officer

Éva Lang-Péli  
Deputy Chief Executive Officer