

Report on the Results of Rába Plc. in H1 of 2020

Unaudited, consolidated half-year report
according to the International Financial Reporting Standards (IFRS)

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MANAGEMENT REPORT

MAIN RESULTS OF THE COMPANY

- While the data relating to the demand in Q1 of 2020, reflect first and foremost the overall economic decline, the activity in Q2 of the year is clearly impacted by the COVID-19 pandemic. In addition to drastically declining production and sales volumes, future economic prospects continue to be marked by uncertainty, projecting low market activity in the short and medium run. H1 of 2020 data of external markets reflected global economic slowdown in Q1 of 2020 and drastic drop in demand in Q2 of 2020 in almost all main segments. A significant decline could be felt in the Rába Group's all key markets. In terms of production costs, there are no signs of easing of the wage pressure, which has been manifest for years, and the continuously rising energy prices continue to be at a level that stands out in H1 of 2020. In response to the drastic volume drops caused by the pandemic, the group of companies has implemented extraordinarily stringent measures, with the primary objective of utilising capacities relieved, as well as of maintaining operating efficiency, as well as the turnaround speed of working capital, together with the flexible control of administration and sales costs. As regards sales, Q2 of 2020 was characterised by a 43.0 per cent decline in turnover at group level, resulting in a 30.5 per cent decline in sales for the first 6 months of the year, compared to the base period. The sales revenue amounted to HUF 19.2 billion, which is HUF 8.4 billion lower than during the previous year. Sales revenues of the business units during Q2 suggest a drastic decline in all business units, the sales of the Axle business unit, the one with the largest sales, declined by 31.0 per cent, the Component business unit registered a decline by 58.9 per cent, whereas the Vehicle business unit declined by 50.8 per cent compared to Q2 of 2019. In the case of the Vehicle business unit the substantial decline in sales was due, in addition to the decline in export activities, to the lack of defence sales. In terms of the exchange rate environment, an increase was manifest in H1 of 2020, in the exchange rates of both the USD representing a lesser portion in the company's foreign exchange turnover and in the EUR, representing a more substantial portion of FX sales. In the case of the USD, the average exchange rate increased by 16.0 per cent, while the EUR exchange rate increased by 7.7 per cent compared to the level of the base period of one year earlier.
- A factor with a significant impact on the business of the group is that the orders due in 2020 under the new framework agreement concluded with the Ministry of Defence in 2018, have not materialised, thus the quarterly financial results of Rába Vehicle Ltd. and of the group cannot be compared.
- In Q2 of 2020, besides the decline in sales turnover, as a combined effect of shrinking material prices, increasing exchange rates, as well as the impact of high wage and energy prices exerting substantial pressure on the cost side, the gross margin reached 12.7 per cent, upon a decline by 6.7 percentage points. The gross margin in H1 of 2020 amounted to 17.7 per cent, including the deteriorated gross margin in Q2, while the gross profit amounted to HUF 3.4 billion.
- The balance of other revenues and expenditures amounted to HUF 450 million in losses during the review period, against the loss of HUF 34 million during the same period of the previ-

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

- As a result of the drastically (by 43.0 per cent) declining turnover in Q2 of 2020 in consequence of the COVID-19 pandemic and the efficiency retention measures taken, together with the administration and sales costs shrinking by 15.4 per cent, the group-level operating profit amounted to HUF 1,102 million in losses, of which the operating loss of Q2 was 982 million. In consequence of the considerable declines in the business units all businesses generated operating losses both quarterly and half-yearly. The contribution of the Axle, Components and Vehicle business units to the group-level operating profit in H1 2020 was HUF 313 million, HUF 380 million and HUF 496 million in losses, respectively.
- In terms of cash generating efficiency, the Company generated a group-level EBITDA of HUF 49 million in H1 of 2020, with a 0.3 per cent efficiency ratio. The considerable decline in efficiency, reaching some 7.9 percentage points, i.e. HUF 2.2 billion compared to the base period, is due to the decline in demand on the relevant sales markets, the excess capacities and efficiency losses resulting due to the declining volumes and the wage and energy costs exceeding the levels of the review period. The contribution to the group-level EBITDA profit of the Axle Business unit was a HUF 293 million in profits, whereas the Components and the Vehicle Business units generated losses of HUF 143 million and HUF 326 million respectively.
- The financial loss in H1 of 2020 amounted to HUF 651 million, compared to the loss of HUF 93 million generated during the same period of the previous year. The financial performance was influenced by the realised exchange rate loss of HUF 605 million and the net interest burden of HUF 39 million.
- The total aggregate income and profit for H1 of 2020 amounted to HUF 1,901 million in losses.
- The net borrowing in H1 of 2020 shows an increase by HUF 2.8 million compared to the same period of last year and amounted to HUF 10.7 billion. Of the principal factors, mention must be made of the cash-generation lower than previously, the working capital increasing by HUF 1.3 billion, as well as of the capital expenditures implemented in pursuit of the modernisation strategy. The revaluation, due to exchange rate fluctuation, of loans, worth HUF 679 million not involving cash movements, also contributed to the increase in net borrowing compared to the year-end level.
- The shareholder's equity decreased by 9.0 per cent compared to the same period of the previous year. The shareholder's equity per share reached HUF 1,432/share.

thousand HUF	H1 2019	H1 2020	Change	Q2 2019	Q2 2020	Change
Sales revenue	27 638 384	19 213 992	-30.5%	12 913 689	7 357 954	-43.0%
Gross profit	5 469 716	3 402 304	-37.8%	2 502 599	935 804	-62.6%
<i>Gross margin</i>	19.8%	17.7%	-2.1%p	19.4%	12.7%	-6.7%p
EBITDA	2 275 518	49 085	-97.8%	829 433	-400 493	-148.3%
<i>EBITDA</i>	8.2%	0.3%	-7.9%p	6.4%	-5.4%	-11.9%p
Operating profit	1 228 704	-1 102 069	-189.7%	298 667	-982 431	-428.9%
Net financial profit/loss	-93 438	-651 315	-597.1%	-86 497	-15 844	81.7%
Profit after tax for the current year	854 390	-1 901 286	-322.5%	110 363	-1 048 344	-1049.9%
Total comprehensive income	854 390	-1 901 286	-322.5%	110 363	-1 048 344	-1049.9%

GOAL, STRATEGY OF THE BUSINESS

"Rába has experienced several crises over the past decades, and each and every time has found the right answers, and introduced measures that ensured the company strengthened, and took advantage of the new opportunities created by the consolidation. An important feature of our strategy, developed last year, is "to escape forward", which has proven to be crucial in the new situation. It is our intention to build the company's future by innovation, by continuing the key product and technology development programmes, by exploring further acquisition opportunities, and by

exploiting the potential of the supply chains expected by experts to shorten and shift. In order to achieve this we need to ensure the stable operation of the company even in this market situation. Unless a second wave of the pandemic further deepens the crisis this year's headline targets are the positive and stable operating cash-flow, and the restoration of profitability in H2." – said István Pintér, Chairman-CEO of RÁBA Automotive Holding Plc.

EXTERNAL ENVIRONMENT OF THE BUSINESS

- While market figures for Q1 2020 reflect primarily the decline in the overall economic environment, activities in Q2 are clearly impacted by the COVID-19 pandemic. Drastically declining production and sales volumes together with uncertain economic outlooks for the future result in low market demand in the short and medium term. In Europe, the registration figures for the heavy truck market show a 57.7 per cent decline in H1 of 2020, which means that the demand in H1 of 2020 is 44.2 per cent below the level of the previous year. The North American market also showed a similar decline by 38.7 per cent. In terms of the agricultural segment, the demand for Rába products declined substantially in H1 of 2020, resulting in a decline for the current year by 17.5 per cent. The Russian truck market is also characterised by a decline in demand. Truck production volume declined by 21.8 per cent, while the demand for buses declined by 10.0 per cent¹. The European passenger vehicle market showed a significant decrease in demand during H1 of 2020, new vehicle registrations remained 38.1 per cent below the value for the base period of a year earlier.
- A factor with a significant impact on the business of the group is that the orders due in 2020 under the new framework agreement concluded with the Ministry of Defence in 2018, have not materialised, thus the quarterly financial results of Rába Vehicle Ltd. and of the group cannot be compared.
- The significant decline in demand impacted the entire supply chain: steel prices in Q2 of 2020 were 14.6 per cent, in H1 of 2020 were 13.8 per cent lower than during the based period.
- Energy prices felt during Q1 of 2020 reached a record high for the past 10 years, against which a moderate energy price drop was experienced in Q2 of 2020. This however, still put considerable pressure on the operation. In Q2 of 2020, the average energy price increase reached 20.5 per cent, which meant that the average energy price level exceeded the level of the base period by 10.2 per cent.
- With regard to the exchange rate environment, an increase occurred in the case of both the USD, representing a lesser proportion in the FX turnover of the company and the EUR, representing more substantial weight in the FX turnover in H1 of 2020. In the case of the USD the average exchange rate increased by 16.0 per cent, while the EUR exchange rate increased by 7.7 per cent compared to the base period.²

	H1 2019	H1 2020	Change	Q2 2019	Q2 2020	Change
EURHUF – average	320.6	345.2	7.7%	323.1	351.5	8.8%
EURHUF – end of period	323.5	356.6	10.2%	323.5	356.6	10.2%
USDHUF – average	283.7	329.2	16.0%	287.6	319.4	11.1%
USDHUF – end of period	284.1	317.8	11.9%	284.1	317.8	11.9%
Changes in raw material prices*	124%	107%	-13.8%	124%	106%	-14.6%
Changes in energy prices**	189%	208%	10.2%	170%	205%	20.5%

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

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

¹ Bus market data refer to the period January-May

² The average exchange rates were calculated based on the official FX exchange rates of the MNB.

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

SUMMARY OF RESULTS OF DURING THE CURRENT PERIOD

Rába Axle Ltd.

The sales revenue of Rába Axle Ltd. in H1 of 2020 amounted to HUF 10.7 billion compared to HUF 12.5 billion achieved during the base period of 2019. This corresponds to a decrease of 14.4 per cent.

On the **American market** the sales revenue in the reporting period was USD 5.5 million, compared to the USD 7.1 million in H1 of 2019. This corresponds to a decrease of 22.5 per cent.

On the **EU market** Rába Axle Ltd.'s sales figures in HUF terms decreased by 19.1 per cent, amounting to HUF 7.2 billion, compared to HUF 8.9 billion during the base period.

European exports remained below the level of the same period a year earlier by 33.0 per cent in H1 of 2020 amounting to EUR 14.6 million, compared to HUF 21.8 million in H1 of 2019.

Domestic sales before consolidation amounted to HUF 2,155 million which represents an increase by 8.1 per cent compared to the HUF 1,993 million of the base period.

On the **CIS and East-European** markets the export sales revenues achieved by Rába Axle Ltd. in H1 of 2020 were 230.0 per cent higher than the base period in 2019, increasing from EUR 1.0 million to EUR 3.3 million.

In the **other** markets. the sales revenue during the reporting period amounted to EUR 2.0 million, which was 51.2 per cent below the EUR 4.1 million turnover of the 2019 base period.

The operating result of the Company in H1 of 2020 was a loss of HUF 313 million, compared to HUF 240 million in profits during the same period of the previous year.

At EBITDA level, the operating profit of the Axle business unit was HUF 293 million compared to HUF 806 million registered a year earlier.

million HUF	H1 2019	H1 2020	Change	Q2 2019	Q2 2020	Change
America	1 982	1 731	-12.7%	1 014	716	-29.4%
EU - export	6 919	5 019	-27.5%	3 219	1 824	-43.3%
EU - domestic	1 993	2 155	8.1%	909	1 025	12.8%
CIS	312	1 139	265.1%	95	331	248.4%
Other	1 309	688	-47.4%	768	244	-68.2%
Total sales revenue	12 514	10 732	-14.2%	6 004	4 140	-31.0%
EBITDA	806	293	-63.6%	303	-118	-138.9%
Operating profit	240	-313	-230.4%	20	-429	-2 245.0%

Rába Automotive Components Ltd.

The sales revenue of Rába Automotive Components Ltd. amounted to HUF 5.7 billion in H1 of 2020, which is a decrease of 39.1 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 H1 of 2020 amounted to EUR 8.1 million, which represents a decrease of 37.7 per cent compared to the EUR 13.0 million of the base period of 2019.

Domestic sales before consolidation amounted to HUF 2,856 million during the reporting period, which corresponds to a decrease by 44.9 per cent compared to the sales revenue of HUF 5,179 million during H1 of 2019.

The Business Unit generated losses of HUF 380 million at operating level during the reporting period compared to a profit of HUF 363 million in Q1 of 2019.

On the level of EBITDA, the loss of the Components business unit was HUF 143 million during the period, compared to the profit of HUF 606 million of the previous year.

million HUF	H1 2019	H1 2020	Change	Q2 2019	Q2 2020	Change
EU - export	4 122	2 795	-32.2%	2 129	1 005	-52.8%
EU – domestic	5 179	2 856	-44.9%	2 502	896	-64.2%
Other	0	14	0.0%	0	3	0.0%
Total sales revenue	9 301	5 665	-39.1%	4 632	1 903	-58.9%
EBITDA	606	-143	-123.6%	308	-343	-211.4%
Operating profit	363	-380	-204.7%	185	-462	-349.7%

Rába Vehicle Ltd.

The sales revenue of Rába Vehicle Ltd. in H1 of 2020 was below the figure of the base period by 54.6 per cent and decreased from HUF 6.8 billion to HUF 3.1 billion.

A significant portion of the sales revenue of Rába Vehicle Ltd. is generated on the European market.

European exports were 27.0 per cent below than the level of the base period, thus declining from EUR 10.0 million to EUR 7.3 million.

Domestic sales before consolidation amounted to HUF 585 million in H1 of 2020, compared to HUF 3,656 million during the base period, representing a decrease by 84.0 per cent.

The operating losses amounted to HUF 496 million during the reporting period compared to the profit of HUF 633 million during the base period last year.

On the level of EBITDA, in the reporting period, the Vehicle Business unit registered losses of HUF 326 million compared to the profit of HUF 760 million in H1 of 2019.

million HUF	H1 2019	H1 2020	Change	Q2 2019	Q2 2020	Change
EU - export	3 165	2 510	-20.7%	1 639	943	-42.5%
EU - domestic	3 656	585	-84.0%	1 067	388	-63.6%
Total sales revenue	6 820	3 095	-54.6%	2 706	1 331	-50.8%
EBITDA	760	-326	-142.9%	160	-15	-109.4%
Operating profit	633	-496	-178.4%	93	-99	-206.5%

The Rába Group

The consolidated sales revenue of the Rába Group in H1 of 2020 amounted to HUF 19.2 billion, which is a decline by 30.5 per cent compared to the figure of HUF 27.6 billion reported for the base period H1 of 2019.

The operating loss of the group during the current period amounted to HUF 1,102 million, compared to HUF 1,229 million in profits during the same period a year earlier.

During the reporting period, the financial result was a loss of HUF 651 million, which includes, among others, a net interest payment of HUF 39 million, as well as exchange rate losses of HUF 605 million.

Profits from the purchase of investment amounted to HUF 15.5 million during H1 of the year, which includes the adjustment for the 24.9 per cent share in Rekard.

Based on the above, the Rába Group generated net losses of HUF 1,901 million in H1 of 2020, compared to a profit of HUF 854 million during the same period of the previous year.

On the level of EBITDA, the group registered profits of HUF 49 million in H1 of 2020, against last year's figure of HUF 2,276 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
2019 Q1	6 510	4 670	4 115	14 725
2019 Q2	6 004	4 632	2 706	12 914
2019 Q3	5 206	3 427	1 983	10 284
2019 Q4	6 069	3 746	2 323	11 859
2020 Q1	6 593	3 762	1 764	11 856
2020 Q2	4 140	1 903	1 331	7 358

Breakdown of the sales revenues for H1 of 2020

HUF million	America	EU			CIS	Other	Total
		Total	export	domestic			
Axle	1 731	7 174	5 019	2 155	1 139	688	10 732
Components	14	5 651	2 795	2 856	0	0	5 665
Vehicle	0	3 095	2 510	585	0	0	3 095
Consolidated	1 745	15 641	10 326	5 316	1 139	688	19 214

Operating profit of group companies

	Operating profit						
	2019.					2020.	
	Q1	Q2	Q3	Q4	Year	Q1	Q2
Axle	220	20	93	34	367	116	-429
Components	178	185	109	192	664	82	-462
Vehicle	540	93	-129	-44	460	-397	-99
Other	-8	1	-110	-34	-151	79	8
Total	930	299	-37	148	1 340	-120	-982

PK2. Companies involved in the consolidation

Company	Share/Issue capital in HUF thousand	Ownership ratio (%)	Voting ratio ¹	Classification ²
Rába Axle Ltd.	9,762,800	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 Kft.	3,000	100.00	100.00	S

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

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

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 2019*	H1 2020	Index	Q2 2019	Q2 2020	Index
Domestic sales revenues	9 829 815	5 315 692	54.1%	4 050 172	2 290 611	56.6%
Export sales revenues	17 808 569	13 898 300	78.0%	8 863 517	5 067 343	57.2%
Revenues	27 638 384	19 213 992	69.5%	12 913 689	7 357 954	57.0%
Direct cost of sales	22 168 668	15 811 688	71.3%	10 411 090	6 422 151	61.7%
Gross profit	5 469 716	3 402 304	62.2%	2 502 599	935 804	37.4%
Cost of sales and marketing**	418 796	244 342	58.3%	198 426	101 221	51.0%
General and administration expenses**	3 788 387	3 809 991	100.6%	1 899 514	1 716 261	90.4%
Other revenues	278 849	176 071	63.1%	77 013	63 481	82.4%
Other expenditures*	312 678	626 111	200.2%	183 005	164 234	89.7%
Total other operating expenses	-4 241 012	-4 504 373	106.2%	-2 203 932	-1 918 235	87.0%
Revenue from operations	1 228 704	-1 102 069	-89.7%	298 667	-982 431	-328.9%
Financial revenues	40 163	403 005	1003.4%	17 192	-32 978	-191.8%
Financial expenditures	133 601	1 054 320	789.2%	103 689	-17 134	-16.5%
Net financial profit/loss	-93 438	-651 315	-697.1%	-86 497	-15 844	18.3%
Profit from the purchase of subsidiary company	0	0			0	
Profit from the purchase of affiliated company	0	15 451			8 633	
PROFIT FROM THE PURCHASE OF INVESTMENT	0	15 451			8 633	
PROFIT BEFORE TAXATION	1 135 266	-1 737 932	-153.1%	212 170	-989 643	-466.4%
Profit tax	280 876	163 354	58.2%	101 807	58 702	57.7%
After-tax profit in the current year	854 390	-1 901 286	-222.5%	110 363	-1 048 344	-949.9%
Basic value of profit per share (HUF)	63	-141				
Diluted value of profit per share (HUF)	63	-141				

*In H1 of 2019, innovation supplement was recorded under other expenditures, which from the end of 2019 was reclassified as profit tax.

** As from 01.01.2020 the classification of sales and marketing costs and general and administration expenses has been specified at group level. The effect of the reclassification is HUF 96 million net in H1 of 2019.

1. EARNED REVENUES

During H1 of 2020, Rába generated HUF 19,214 million in sales revenue, compared to HUF 27,638 million during the same period of the previous year, which is a change of -30.5 per cent. 72.3 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 H1 of 2020, the direct cost level of Rába was 82.3 per cent compared to 80.2 % of the base period. The amount of direct costs was HUF 15,812 million, 28.7 per cent lower than during the base period (H1 of 2019: HUF 22,169 million).

Gross profit

The gross profit changed from HUF 5,470 million in the base period to HUF 3,402 million (HUF - 2,068 million), which is due to the decrease in sales revenue by HUF 8,425 million and by 6,357 million in direct expenses.

2.2. Cost of sales

The cost of sales decreased by 41.7 per cent and amounted to HUF 244 million during H1 of 2020, compared to HUF 419 million in H1 of 2019.

2.3. General overhead and administrative expenses

Rába accounts under general overhead and administrative expenses (H1 of 2020: HUF 3,810 million, H1 of 2019: 3,788 million) for its costs incurred in relation to the administration of the company (H1 of 2020: HUF 1,932 million) and other general costs (H1 of 2020: HUF 1,878 million).

2.4. Other revenues and expenditures

Other revenues amounted to a loss of HUF 450 million in H1 of 2020 compared to HUF 34 million in profits during the same period of last year.

This 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 H1 of 2020 was HUF -1,102 million (H1 of 2019: HUF 1,229 million). The decrease in gross profit (HUF 2,067 million) was improved by the combined change in sales and general overhead costs (HUF 152 million) and deteriorated by the change in the balance of other revenues and expenditures (HUF 416 million). Profitability changed from 4.4 per cent during the base period to -5.7 per cent. The profitability of operating profit + depreciation changed from 8.2 per cent during the base period to 0.3 per cent.

4. FINANCIAL REVENUES AND EXPENDITURES

During H1 of 2020, the net financial result was a loss of HUF 651 million, compared to the loss of HUF 93 million during the base period.

The net result of interest incomes and expenses was HUF -39 million during H1 of 2020 (against HUF -38 million during the base period).

The net exchange rate difference of FX items during H1 of 2020 was HUF -605 million (HUF -46 million in the base period).

Financial revenues and expenditures consisted of the following principal items:

in HUF thousand

	H1 of 2019	H1 of 2020
Interest income	9	3 556
Exchange rate gains	40 153	398 621
Other financial revenues	0	828
Financial revenues	40 162	403 005
Interest payable	38 152	42 514
Exchange rate loss	86 066	1 003 285
Other financial expenditures	9 383	8 520
Financial expenditures	133 601	1 054 320

5. PROFIT IN THE CURRENT YEAR

The earnings before taxation during H1 of 2020 amounted to a loss of HUF 1,738 million, which, because of the factors outlined in Sections 1-4 is HUF 2,873 million less than the figure for Q1 of 2019. The profitability ratio represents a -9.1 per cent return on sales on the basis of profit before taxation, against the level of 4.1 per cent during the base period.

The Group has HUF 163 million in tax liability during the review period. Within that, the corporate tax liability was HUF 3 million, the local business tax liability was HUF 131 million, the innovation supplement amounted to HUF 23 million, and the deferred tax liability in the reporting period was HUF 6 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	31.12.2019	30.06.2020	Index
Real estate. machines. equipment	25 394 003	26 047 545	102.6%
Intangible assets	147 709	117 605	79.6%
Other long-term assets	148 859	106 839	71.8%
Property for investment purposes	815 632	808 648	99.1%
Other investments	45 027	60 478	134.3%
Deferred tax receivables	12 012	13 065	108.8%
Total invested assets	26 563 242	27 154 180	102.2%
Inventories	7 651 242	7 136 350	93.3%
Trade receivables and other receivables	6 487 674	6 367 397	98.1%
Profit tax receivable	62 489	123 114	197.0%
Liquid assets. bank account	804 510	1 330 758	165.4%
Total current assets	15 005 915	14 957 619	99.7%
Total assets	41 569 157	42 111 799	101.3%
Registered capital	13 473 446	13 473 446	100.0%
Treasury shares	-108 952	-108 952	100.0%
Retained earnings	7 832 514	5 931 228	75.7%
Total equity and reserves	21 197 008	19 295 722	91.0%
Long-term credits and loans	3 371 304	3 637 014	107.9%
Provisions	237 208	237 209	100.0%
Deferred tax liability	113 276	120 084	106.0%
Leasing liabilities	195 480	194 855	99.7%
Total long-term liabilities	3 917 268	4 189 163	106.9%
Provisions	171 367	129 054	75.3%
Leasing liabilities	82 575	82 575	100.0%
Short-term portion of loans and credits	5 354 424	8 378 344	156.5%
Trade liabilities and other payables	10 846 515	10 036 940	92.5%
Total short-term liabilities	16 454 881	18 626 914	113.2%
Total equity and liabilities	41 569 157	42 111 799	101.3%

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 25,394 million on 31 December 2019 to HUF 26,048 million. This represents an increase by 2.6 per cent. The depreciation of fixed assets was HUF 1,071 million in H1 of 2020.

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 274 million on 1 January 2020, with purchases during the reporting period of HUF 48 million). During the reporting period, the depreciation of these assets amounted to HUF 47 million.

1.2. Intangible assets

The net value of intangible assets changed from HUF 148 million to HUF 118 million. This represents a decline by 20.4 per cent. The amount of depreciation accounted during the period was HUF 81 million.

1.3. Other long-term assets

This balance sheet line shows other long-term loans given in the amount of HUF 8 million (31 December 2019: HUF 15 million), as well as long-term advance payments in the amount of HUF 99 million (31 December 2019: HUF 134 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 the year, the amount of long term advance receivables declined by HUF 42 million during the period.

1.4. Property for investment purposes

The book value of real estate for investment purposes at 30 June 2019 changed to HUF 809 million from HUF 816 million during the base period.

1.5. Investments

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

1.6. Deferred tax receivables

The amount of receivable was HUF 13 million on 30 June 2020, against HUF 12 million on 31 December 2019.

2. CURRENT ASSETS**2.1. Inventories**

On 30 June 2020, the closing value of stocks was HUF 7,136 million (31 December 2019: HUF 7,651 million). The change is a decline by HUF 515 million. The components of the change are: a decrease in materials and goods by HUF 625 million and an increase in unfinished, semi-finished and finished goods by HUF 110 million.

2.2. Trade receivables and other receivables

The closing figure of receivables as at 30 June 2020 was HUF 6,367 million, a decline by HUF 121 million compared to the 31 December 2019 figure (closing figure for 31 December 2019: HUF 6,488 million). Accounts receivable increased by HUF 519 million, advances made for investment and inventories decreased by HUF 460 million and other receivables decreased by HUF 180 million.

2.3. Profit tax receivables

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

On 30 June 2020, the Group had a HUF 123 million in profit tax receivables, within which the corporate tax receivable amounted to HUF 106 million and the local trade tax receivable was HUF 30 million and the innovation supplement was a liability of HUF 13 million.

On 31 December 2019, there was a profit tax receivable of HUF 62 million, within which corporate tax receivables amounted to HUF 72 million, the local trade tax receivables amounted to HUF 8 million and the innovation supplement was a liability of HUF 18 million.

2.4. Liquid assets

The closing figure of liquid assets on 30 June 2020 was HUF 1,331 million, HUF 526 million more than on 31 December 2019 (HUF 805 million).

3. EQUITY AND RESERVES

The change occurred as follows:

in HUF thousand

	Share capital	Treasury shares	Reserve from share-based payments	Retained earnings	Other aggregate income	Total shareholders' equity
Balance as at 01.01.2019	13 473 446	-108 952	0	7 500 457	0	20 864 951
Profit for current year				854 390		854 390
Dividend payment				-239 815		-239 815
Balance as at 30 June 2019	13 473 446	-108 952	0	8 115 032	0	21 479 526
Profit of the current year				-282 518		-282 518
Balance as at 01 January 2020.	13 473 446	-108 952	0	7 832 513	0	21 197 008
Profit for current year				-1 901 286		-1 901 286
Balance as at 30 June 2020	13 473 446	-108 952	0	5 931 228	0	19 295 722

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 30 June 2020, the share capital of the Company was HUF 13.473 million.

3.2. Treasury shares

On 30 June 2020, the value of treasury shares was HUF 108,952 thousand (120,681 shares), with no changes since 31 December 2019. 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 5,931 million) changed by HUF -1,901 million, i.e. the profit for the reporting year compared to the closing value for the previous year (HUF 7,833 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 30 June 2020 amounted to HUF 3,832 million, which was 7.4 per cent higher than the opening balance of the period (on 31 December 2019, the closing figure was HUF 3,567 million).

On 1 January 2020, the Company had long-term leasing liabilities of HUF 195 million in the context of the leasing contracts identified in line with the provisions of the new IFRS 16 leasing standard. This is then moved to short-term liabilities from where repayment is done. The amount then declined by HUF 47 million due to repayment and increased due the purchase of new assets by HUF 48 million during the reporting period.

4.2. Provisions

The closing value of provisions as at 30 June 2020 was HUF 366 million, of which HUF 237 million is long-term.

4.3. Deferred tax liability

On 30 June 2020, the Company had deferred tax liabilities in the amount of HUF 120 million, which is HUF 7 million more than the amount on 31 December 2019.

5. SHORT-TERM LIABILITIES

5.1. Short-term credits and loans

The total amount of short-term credits and loans of HUF 8,461 million is an increase by 55.6 per cent compared to the closing value at the 31 December 2019 (HUF 5,437 million). Short-term leas-

ing liabilities amounted to HUF 83 million, with no changes since 31 December 2019.

The net borrowing of the Rába Group was HUF 10,685 million on 30 June 2020, an increase by HUF 2,763 million compared to the level as at 31 December 2019.

5.2. Provisions

The short-term portion of provisions amounted to HUF 129 million on 30 June 2020, which is HUF 42 million lower than the amount on 31 December 2019.

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 30 June 2020, the amount of accounts payable and other short-term liabilities was HUF 10,037 million, which is 7.5 per cent lower than the closing value as at the end of December 2019 (HUF 10,847 million). Accounts payable decreased by HUF 1,302 million, other liabilities declined by HUF 155 million, whereas passive accruals increased by HUF 647 million.

PK 5. CONSOLIDATED CASH-FLOW STATEMENT

Data in HUF thousand

	30.06.2019	30.06.2020
Cash-flows from operating activities		
Profit before taxation	1 135 266	-1 737 935
<i>Adjustment items related to items with no cash movement:</i>		
Interest expenditure	4 021	42 514
Depreciation and amortisation	1 046 814	1 151 153
Impairment of intangible assets, properties machines and equipment	9 314	246 606
Impairment of bad and doubtful receivables and of long term receivables	6 792	8 317
Impairment of stocks kept at net realisable value	137 392	199 573
Scrapping of stocks	48 260	29 976
Provisions / (release)	-135 763	-42 311
Result from the sale of real estate machinery and fixtures and intangible assets	-78 911	-3 322
Profit from the purchase of subsidiary and affiliated company	0	-15 451
Revaluation of loans and credits at end of period	80 178	679 124
<i>Changes in working capital:</i>		
Changes in trade and other receivables	-637 698	111 959
Changes in stocks	-1 294 067	285 343
Changes in accounts payable and other liabilities	80 474	-813 625
Taxes paid	-187 832	-218 221
Interests paid	-39 003	0
Net cash flows from operating activity	175 237	-76 301
Cash-flows from investment activities		
Purchase of real estate, machinery and fixtures, as well as of intangibles	-1 930 881	-3 032 281
Revenues from the sale of real estate, machinery and fixtures as well as intangible asses	81 331	1 021 391
Increase in investments	-474 700	0
Interests received	8	3 556
Net cash flows used for investment activities	-2 324 242	-2 007 334
Cash flows from financing activities		
Loans and credits received	3 395 464	3 033 312
Loans and credits and leasing repayment	-1 120 993	-423 431
Dividend paid	-239 816	0
Net cash flows from financing activities	2 034 655	2 609 881
Net increase/decrease of cash and cash equivalents	-114 350	526 246

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 2019, 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 2019 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 2019 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 12,015 million, of which the loans secured with liens and mortgages on movable assets and real property amount to HUF 12,015 million.

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

RS1. Ownership structure. ratio of participation

Description of ownership	Total equity						Series listed ¹			
	Beginning of current year (01 January)			At end of term (30 June)			Beginning of current year		end of current year	
	% ²	% ³	pcs	% ²	% ³	pcs	%	pcs	%	pcs
Domestic institutional/corporate	7,05	7,11	949 288	6,99	7,05	941 739				
Foreign institutional/corporate	2,15	2,17	289 697	2,11	2,13	284 745				
Foreign private individual	0,07	0,07	9 804	0,06	0,07	8 732				
Domestic private individual	15,25	15,39	2 054 773	15,35	15,49	2 068 346				
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 ⁴	74,46	75,13	10 032 129	74,46	75,13	10 032 129				
International Development Insti- tutions ⁵	0,00	0,00	0	0,00	0,00	0				
Other ⁶	0,00	0,00	0	0,00	0,00	0				
TOTAL	100,00	100,00	13 473 446	100,00	100,00	13 473 446				

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

² Ownership ratio

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

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

⁵ E.g.: EBRD, EIB, etc.

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

Name	Depository (yes/no)	Quantity (pcs)	Share (%)
Hungarian State Holding Company Ltd. MNV Zrt.)	no	10,015,829	74.34
Total		10,015,829	74.34

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

	1 January,		31 March		30 June	
	pcs	%	pcs	%	pcs	%
At corporate level	120 681	0.9	120 681	0.9	120 681	0.9
Subsidiaries ¹	-	-	-	-	-	-
Grand total	120 681	0.9	120 681	0.9	120 681	0.9

¹ Consolidated companies

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

TSZ1. Headcount of full-time employees (people)

	End of base period	Beginning of current year	End of current period
At corporate level	17	17	18
At group level	1 387	1 325	1 289

The consolidated closing headcount as at 30 June 2020 was 1,289. The decline in headcount is 7.1 per cent compared to the end of the base period.

TSZ2. Managing executives. strategic employees

Type ¹	Company	Position	Beginning of mandate	End/termination
BD	István Pintér	Chairman of the BD	2005	
BD	Dr. Ibolya Virág Csernák Bánóczy	Board member	2019	
BD	János Major	Board member	2019	
BD	Dr. Ákos Mátyás Pálvölgyi	Board member	2019	
BD	Roland Sebők	Board member	2019	
BD	Dr. Tamás Tóth	Board member	2019	
BD	György Wáberer	Board member	2012	
BD	Ákos Csókay	Board member	2017	2019
BD	Dr. János Géza Fördös	Board member	2016	2019
BD	Dr. Péter Hartmann	Board member	2016	2019
BD	Dr. Miklós Rátky	Board member	2014	2019
BD	Andor Nándor Tóth	Board member	2018	2019
SB	Dr. Zoltán Lajos Pafféri	Chairman of the SB	2018	
SB	Dr. Zsolt Harmath	SB member	2016	
SB	Dr. Tünde Kanta	SB member	2017	
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

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

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

RÁBA PLC. (INDIVIDUAL) BALANCE SHEET (IFRS)

Data in HUF thousand

Description of item	31.12.2019	30.06.2020	Index
Property. machinery. equipment*	6 003 693	7 030 473	117.10%
Intangible assets	13 294	10 511	79.07%
Other long-term assets	1 414 417	1 414 417	100.00%
Real estate for investment	392 912	808 647	205.81%
Subsidiary investments	12 318 571	12 148 585	98.62%
Other investments	45 027	60 478	134.31%
Deferred tax receivable	12 012	13 063	108.75%
Total invested assets	20 199 926	21 486 174	106.37%
Inventories	8 103	8 159	100.69%
Trade and other receivables	2 938 341	3 791 771	129.04%
Profit tax receivable	10 600	7 376	69.58%
Cash and cash equivalents	443 860	577 797	130.18%
Total current assets	3 400 904	4 385 103	128.94%
TOTAL ASSETS	23 600 830	25 871 277	109.62%
Registered capital	13 473 446	13 473 446	100.00%
Treasury shares	-108 952	-108 952	100.00%
Retained earnings	3 392 669	3 309 825	97.56%
Total equity and reserves	16 757 163	16 674 319	99.51%
Provisions	95 700	95 700	100.00%
Long-term credits and loans	367	24 298	6620.71%
Total long-term liabilities	96 067	119 998	124.91%
Provisions	17 362	28 750	165.59%
Short-term portion of loans and credits	1 983 119	4 563 289	230.11%
Accounts payable and other liabilities	4 747 119	4 484 921	94.48%
Total short-term liabilities	6 747 600	9 076 960	134.52%
TOTAL EQUITY AND LIABILITIES	23 600 830	25 871 277	109.62%

* In H1 of 2020 several real estate items within the group were entered into the individual accounts of the company in order to optimise property management. This does not influence the consolidated value.

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

Data in HUF thousand

Description	H1 2019	H1 2020	Index	Q2 2019	Q2 2020	Index
Sales revenues	822 615	926 707	112.7%	400 464	452 120	112.9%
Direct costs of sales	189 281	201 500	106.5%	95 341	100 260	105.2%
Gross profit	633 334	725 207	114.5%	305 123	351 860	115.3%
Sales and marketing costs	22 579	382	1.7%	20 097	0	0.0%
General overhead costs	560 403	593 384	105.9%	293 442	287 972	98.1%
Other revenues	213 111	8 067	3.8%	134	2 501	1866.4%
Other expenditures*	59 314	87 227	147.1%	-8 742	50 256	-574.9%
Other operating expenditures total	-429 185	-672 926	156.8%	-304 663	-335 727	110.2%
Operating profit	204 149	52 281	25.6%	460	16 133	3507.2%
Financial income	52 936	51 038	96.4%	24 414	5 018	20.6%
Financial expenditures	69 626	188 986	271.4%	40 847	11 205	27.4%
Net financial income	-16 690	-137 948	826.5%	-16 433	-6 187	37.6%
Revenue from the purchase of affiliated company		15 451			8 633	
PROFIT BEFORE TAXATION	187 459	-70 216	-37.5%	-15 973	18 579	-116.3%
Profit Tax*	12 729	12 625	99.2%	9 155	5 655	61.8%
PROFIT OF CURRENT YEAR	174 730	-82 841	-47.4%	-25 128	12 924	-51.4%
TOTAL AGGREGATE PROFIT/LOSS OF CURRENT YEAR	174 730	-82 841	-47.4%	-25 128	12 924	-51.4%
EBITDA	315 368	186 984	59.3%	56 211	85 342	151.8%

* In Q1 of 2019, innovation supplement is under other expenditures, from the end of 2019, these are moved to profit taxes

SEGMENT INFORMATION

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

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

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

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.

	H1 2019.						Q2 2019.					
	Axles IFRS	Vehicles IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated	Axles IFRS	Vehicles IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated
Revenues	12 096 586	6 638 803	8 778 460	124 534	0	27 638 383	5 851 120	2 635 973	4 362 823	63 773	0	12 913 689
Inter-segment revenues	417 594	181 541	522 782	698 081	-1 819 999	0	152 932	69 590	268 682	336 692	-827 896	0
Total revenue from sales	12 514 180	6 820 345	9 301 242	822 615	-1 819 999	27 638 383	6 004 052	2 705 564	4 631 505	400 465	-827 896	12 913 689
Direct cost of sales	-10 266 642	-5 353 320	-7 769 140	-189 281	1 409 715	-22 168 668	-4 879 255	-2 188 183	-3 884 225	-95 341	635 916	-10 411 089
GROSS PROFIT	2 247 538	1 467 025	1 532 102	633 334	-410 284	5 469 715	1 124 796	517 380	747 280	305 124	-191 980	2 502 600
Sales and marketing costs **	-171 036	-205 754	-19 427	-22 579	0	-418 796	-97 732	-66 166	-14 431	-20 097	0	-198 426
General overhead costs **	-1 841 657	-658 221	-1 138 588	-560 403	410 482	-3 788 386	-871 870	-382 486	-543 774	-293 442	192 058	-1 899 513
Other revenues	198 410	41 329	39 263	213 111	-213 263	278 851	33 397	22 789	20 161	134	534	77 015
Other expenditures*	-193 078	-11 720	-50 801	-59 314	2 234	-312 680	-168 598	750	-24 738	8 742	838	-183 007
TOTAL OTHER OPERATING EXPENDITURES	-2 007 360	-834 367	-1 169 553	-429 185	199 454	-4 241 011	-1 111 846	-429 583	-568 062	-305 610	193 429	-2 203 931
REVENUE FROM OPERATIONS	240 178	632 658	362 549	204 149	-210 830	1 228 704	12 950	87 797	179 218	-487	1 449	298 669
Interest income	636	7 011	658	3 776	-12 071	9	182	3 430	367	1 994	-5 972	1
Interest expenditure	-24 895	-10 909	-8 299	-10 992	12 071	-43 025	-12 208	-6 152	-4 248	-5 892	5 972	-22 528
Profit tax expenditure	-97 703	-89 990	-109 334	-14 566	0	-311 593	-35 614	-13 268	-55 855	-10 044	0	-114 781
Assets												
Real estate, machinery and equipment	8 301 996	2 033 912	3 566 443	6 020 195	9 851	19 932 398	52 032	463 410	12 449	-32 531	849	496 209
Intangible assets	76 757	41 290	20 822	16 120	0	154 988	-6 379	-2 476	-3 024	4 600	0	-7 279
Real estate for investment	0	0	0	338 217	0	338 217	0	0	0	0	0	0
Other long-term assets	143 876	12 968	9 165	1 503 882	-1 373 483	296 408	-15 335	-1 403	-991	0	0	-17 729
Inventories	6 237 078	1 995 077	1 973 154	8 477	-33 781	10 180 006	272 026	-16 303	62 367	323	0	318 412
Receivables	9 161 864	4 844 679	2 092 112	1 839 899	-5 041 791	12 896 764	109 556	-924 899	-189 743	-568 417	396 532	-1 176 972
Cash and cash equivalent	221 529	9 060	3 478	335 112	-1	569 178	-508 778	6 797	149	180 028	0	-321 805
Liabilities												
Provisions	33 398	155 789	30 254	134 738	3	354 181	0	-62 906	-11 026	-54 247	0	-128 179
Liabilities*	7 554 723	2 434 587	3 836 543	3 447 545	-5 041 790	12 231 608	-921 725	-523 196	-96 237	227 509	395 932	-917 718
Capital expenditures	1 047 470	483 274	297 732	179 857	0	2 008 333	367 494	410 803	284 979	146 291	0	1 209 567
Depreciation	565 717	127 100	242 977	111 219	-199	1 046 814	283 493	68 020	123 579	55 751	-78	530 766

* In Q1 of 2019, innovation supplement is under other expenditures, from the end of 2019, these are moved to profit taxes

* In Q1 of 2019, innovation supplement is under liabilities

** As from 01.01 2020, the classification of sales and marketing costs and general overhead and administration costs have been specified. The effect of the reclassification in H1 of 2019 is HUF 96 million net.

RÁBA Plc.'s consolidated report for H1 of 2020 in accordance with the IFRS

	H1 2020.						Q2 2020.					
	Axles IFRS	Vehicles IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated	Axles IFRS	Vehicles IFRS	Components IFRS	General overhead	Inter-segment filters	Consolidated
Revenues	10 521 905	3 007 862	5 349 097	335 128	0	19 213 992	4 073 890	1 296 228	1 818 773	169 063	0	7 357 954
Inter-segment revenues	210 546	86 942	316 196	610 024	-1 223 709	-1	65 707	34 550	84 691	283 056	-468 005	-1
Total revenue from sales	10 732 451	3 094 804	5 665 293	945 152	-1 223 709	19 213 992	4 139 597	1 330 778	1 903 464	452 119	-468 005	7 357 953
Direct cost of sales	-8 837 945	-2 688 074	-4 985 510	-201 500	901 338	-15 811 690	-3 605 141	-1 179 645	-1 866 604	-100 260	329 498	-6 422 151
GROSS PROFIT	1 894 506	406 731	679 784	743 652	-322 371	3 402 302	534 456	151 133	36 860	351 860	-138 507	935 802
Sales and marketing costs	-164 564	-74 353	-70 737	-382	65 694	-244 342	-67 559	-35 153	-23 977	0	25 469	-101 221
General overhead costs	-1 969 462	-547 196	-944 273	-596 290	247 231	-3 809 990	-885 335	-222 155	-427 134	-288 167	106 531	-1 716 261
Other revenues	89 063	26 428	19 598	50 693	-9 711	176 072	40 766	13 064	7 310	2 500	-158	63 483
Other expenditures	-162 125	-307 454	-64 206	-92 484	158	-626 111	-51 039	-5 449	-55 021	-52 884	159	-164 235
TOTAL OTHER OPERATING EXPENDITURES	-2 207 089	-902 575	-1 059 618	-638 463	303 373	-4 504 372	-963 167	-249 693	-498 823	-338 551	132 001	-1 918 234
REVENUE FROM OPERATIONS	-312 583	-495 844	-379 834	105 189	-18 998	-1 102 070	-428 711	-98 560	-461 963	13 308	-6 506	-982 432
Interest income	928	9 884	2 684	11 056	-20 996	3 556	440	7 577	2 613	9 266	-18 111	1 785
Interest expenditure	-23 479	-10 609	-7 427	-21 994	20 996	-42 514	-14 285	-5 497	-3 983	-17 793	18 111	-23 446
Profit tax expenditure	-65 042	-31 279	-51 493	-15 540	0	-163 354	-24 684	-12 426	-15 967	-5 624	0	-58 702
Assets												
Real estate, machinery and equipment	14 707 682	1 919 426	2 379 426	7 030 476	10 533	26 047 544	1 072 415	-50 619	-80 418	-379 005	417 220	979 593
Intangible assets	64 162	32 501	10 431	10 511	0	117 605	-7 743	-2 975	-2 436	-1 392	0	-14 546
Real estate for investment	0	0	0	808 648	0	808 648	0	0	0	415 735	-417 046	-1 311
Other long-term assets	87 648	7 824	5 534	1 420 250	-1 414 417	106 839	-15 335	-1 403	-991	-2 916	0	-20 645
Inventories	4 378 533	940 212	1 844 977	8 158	-35 530	7 136 350	-584 975	-136 085	-58 563	-314	0	-779 937
Receivables	4 387 393	4 358 818	1 332 476	4 032 228	-7 743 517	6 367 398	-1 287 653	-439 223	-1 152 275	1 694 915	-553 545	-1 737 781
Cash and cash equivalent	581 940	4 221	4 901	739 695	-1	1 330 757	231 599	634	-85	-319 546	0	-87 398
Liabilities												
Provisions	71 393	160 127	10 290	0	3	366 264	0	-10 027	10 290	0	0	12 813
Liabilities	9 668 638	1 511 348	2 197 523	4 485 522	-7 743 516	10 119 516	-311 400	-507 745	-840 722	-1 038 550	-553 545	-3 251 962
Capital expenditures	1 948 910	170 997	268 852	1 385 937	0	3 774 696	1 318 825	-27 723	10 154	92 579	0	1 393 835
Depreciation	605 282	170 191	236 533	137 263	1 884	1 151 153	310 902	83 534	119 348	69 208	-1 054	581 938

PK1. General information pertaining to the financial data

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

Declaration of liability

We, the undersigned, authorised signatories of the Company, hereby declare that the data and statements contained in the half-year 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, 12 August 2020

István Pintér
Chairman - Chief Executive Officer

Béla Balog
Chief Financial Officer