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**RÁBA Automotive Holding Plc.**

**SUBMISSIONS**

**TO RÁBA AUTOMOTIVE HOLDING PLC.'S**

**ANNUAL GENERAL MEETING**

**TO BE HELD ON APRIL 11, 2025**

Győr, March 20, 2025



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## **Notice of Annual General Meeting of RÁBA Plc.**

**The Board of Directors of RÁBA Automotive Holding Plc.** ("RÁBA Plc. or "Company", Seat of the Company: 9027 Győr, Martin u. 1., registration number: 08-110-001532) **herewith informs the Company's shareholders that the Company holds its annual general meeting** ("General Meeting") **on April 11, 2025.**

Date of the General Meeting: April 11, 2025, at 10 a.m.

Venue of the General Meeting: ETO Park Hotel, H-9027 Győr, Nagysándor József u. 31.

Method of holding of the General Meeting: personal attendance

COAF identifier of the General Meeting: HU20250311021839

### **AGENDA OF THE GENERAL MEETING**

#### **1. Assessment of the Company's operation in 2024**

**1.a) Report of the Board of Directors on the Company's business operations in the business year 2024;**

**1.b) Report on the Company's normal and consolidated annual financial statements of 2024 drawn up as per the International Financial Reporting Standards (IFRS), Business report including the Consolidated Sustainability report, proposal of the Board of Directors for the approval of the normal and consolidated annual financial statements as well as proposal for the allocation of the total profit for the reporting year, the submission of Corporate Governance Report and the statement on the operation of the internal control system;**

**1.c) Report of the Auditor on the annual financial statements of 2024; assurance opinion of the qualified sustainability- auditor on the Sustainability report of 2024**

**1.d) Report of the Supervisory Board on the annual financial statements of 2024, on the Business report including the consolidated Sustainability report, on the allocation of the total profit for the reporting year and on the submissions to the General Meeting;**

**1.e) Discussion and acceptance of the reports on normal annual financial statements and consolidated annual financial statements drawn up as per the International Financial Reporting Standards (IFRS), approval of the statement of financial position and resolution on the allocation of the total profit for the reporting year; and resolution on the acceptance of the Corporate Governance Report;**

**2. The remuneration report of the Company on the business year 2024;**

**3. Approval of property sale**

**4. Amendment of the Articles of Association and setting the consolidated memorandum thereof**

**5. Authorization of the Board of Directors to increase share capital**

**6. Election of the qualified sustainability Auditor for the audit of the consolidated sustainability report and setting its remuneration**

**7. Miscellaneous**

### **METHOD OF HOLDING OF THE GENERAL MEETING**

The General Meeting shall be held by way of physical presence of the shareholders.



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Only the shareholders, their corporate or authorized representatives or proxies, the Company's executives, employees and the organizers of the General Meeting may participate in the General Meeting as a non-public event. Shareholders are kindly requested to arrive unaccompanied.

### **SUBMISSIONS AND DRAFT RESOLUTIONS TO THE GENERAL MEETING**

The submissions and draft resolutions relating to the Items on the Agenda of the General Meeting, the reports of the Supervisory Board (Audit Committee) and that of the Auditor will be published in separate notice by the Board of Directors until March 20, 2025 on the website of BSE ([www.bet.hu](http://www.bet.hu)), on the website of Hungarian National Bank ([www.mnb.hu](http://www.mnb.hu)), and on the website of the Company ([www.raba.hu](http://www.raba.hu)).

Subject to presentation of a certificate of their voting rights and indication of the reason for their request, the shareholders representing at least one per cent of the votes, may request the Board of Directors, in writing and in accordance with the statutory requirements to detail the agenda items, to put any item on agenda of the General Meeting, and such shareholders may also submit draft resolutions regarding the items on agenda, within 8 days following the publication of this Notice of General Meeting.

### **EXERCISING THE SHAREHOLDER'S RIGHTS**

Pursuant to the Articles of Association those shareholders or shareholder's proxies are entitled to exercise the shareholder's rights regarding the General Meeting whose names are entered at the closing date in the Register of Shareholders, prepared on the basis of the identification of shareholders initiated by the Company.

The record date of identification of shareholders is: **April 4, 2025**

The closing date of Register of Shareholder is: **April 9, 2025 at 6 p.m.**

The financial institutions keeping the securities account shall arrange for the entering of the shareholders into the Company's Register of Shareholders kept by KELER Zrt, on the basis of the shareholder's instructions. RÁBA Plc. can not assume liability for the shareholders' registration.

The shareholders are requested to check, until the second working day before the closing date of the Register of Shareholders, the latest, at the financial institution keeping their securities account that the arrangements are made in favour of their registration into the Register of Shareholders.

Shareholders may participate in the General Meeting in person, or through their corporate or authorized representatives or proxies.

The shareholders should prove their personal identity by presenting their certificates for identification. The shareholders' organizational or corporate identity and their right of representation should be verified by an authentic document, which certifies the registration and the data in force of the organization or the corporation and their representatives (e.g. certificate of incorporation). In case of a foreign shareholder, the provisions regarding the requirements of documents of foreign origin shall be applied, with regard to the relevant provisions of the international convention being in effect between Hungary and the country of the place of issue of such foreign documents, or the international reciprocity as well. If the documents are not issued in the Hungarian or English language, the shareholders should attach the Hungarian or the English translation.

For the purpose of registration, the shareholders are requested to arrive at the place of the General Meeting from 8.30 a.m, together with their documents necessary for the verification of their personal identity and/or corporate identity and their rights of representation.

**Convocation of the Repeated General Meeting** due to lack of quorum of General Meeting:

In the event that the General Meeting to be held on April 11, 2025 fails to have a quorum even 30 minutes after its scheduled time, the General Meeting repeated for lack of quorum shall be held at the same place and with the same agenda **on April 11, 2025 at 11.00 a.m.** The Register of



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Shareholders prepared on the basis of the identification of shareholders at the record date of April 4, 2025 and closed on April 9, 2025 at 6 p.m. shall be valid for the General Meeting repeated for lack of quorum

In the event the General Meeting having quorum is suspended, the date of the continued General Meeting will be established parallel to the time of suspension and it will be officially published by RÁBA Plc. in a notice on the next working day after the suspended General Meeting at the latest.

Győr, March 11, 2025

Board of Directors of RÁBA Plc.

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**ITEM 1 ON AGENDA OF GENERAL MEETING**

**ASSESSMENT OF THE COMPANY'S OPERATION IN 2024**

**1.a) Report of the Board of Directors on the Company's business operations  
in the business year 2024**

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**Report of the Board of Directors of RÁBA Automotive Holding Plc.  
to the annual general meeting of shareholders of Rába Plc.  
on the Company's business activity conducted in the business year 2024**

Throughout the business year, the Board of Directors paid close attention to the operation of the Company and at its regularly held meetings, discussed the reports of the management on the activity and financial position of the Company, as well as major events, defined the business and strategic plans of the Company, provided for the regular keeping of the Company's books, as well as for the preparation of the Company's balance sheet and profit and loss statements and made decisions on matters defined by the relevant regulations and by the Company's statutes.

In the wake of the downturn in the automotive industry in 2024, market players were forced to suffer a significant drop in sales. The decline in activity could be described as general, but the extent of the decline varied across the different segments. The members of the Rába Group also faced a significant drop in demand in their main markets: the decrease in turnover in the commercial road vehicle segment exceeded 20 percent, the agricultural segment actually halved, but the second half-year decline in the passenger car segment also exceeded 15 percent.

Maintaining and preserving cash generation efficiency in 2024 was more challenging than ever for Rába Group, as the drastic decline in customer demand has had a clear impact on profitability. Significant consolidation of resources, control over corporate overheads and oneoff revenues partially offset the decline in profits resulting from lower sales.

The production costs of Rába Group were not significantly reduced in 2024. Steel and energy procurement price levels have in fact stagnated, with the price corrections seen earlier ending in 2024. Purchasing prices stabilised well above the levels seen before the energy crisis. Constantly rising wage levels remain a major burden on maintaining competitiveness.

Compared with the base period, the change in exchange rate levels did not cause any significant variation in the books for operating activities, with both the euro and the dollar showing a minimal increase in exchange rate levels for foreign currency items. However, due to the higher euro exchange rate recorded at the end of the period, there was a significant unrealised loss on the revaluation of non-cash borrowings.

The financial position of Rába Group continued to be characterised by a stable liquidity position in the period under review. Factors influencing the level of net debt include technological renewal and reorganisation activity, which significantly exceeded the investment activity of recent years, cash generation since the base period, and a small increase in working capital compared to the base period. The net loan portfolio was negatively affected by the revaluation of non-cash borrowings resulting from exchange rate movements.

The measures taken to improve the financial stability and the efficiency had played main role in 2024 as well. The Company continued the optimization of its property portfolio, and, as a result thereof, the sale of the out of use properties was continued further on.

In 2024 Rába Group had taken significant steps in order to respond to the global challenges of the automotive industry. In respond to the difficulties, i.e. the significant drop in sales and the stabilization of high cost levels, Rába Group had reacted with programmes of cost-cutting and efficiency improvements, the review of customers' contracts, as well as with the realization of particular incomes. As a result of the measurements taken to answer the challenges, the efficiency of the ability to generate cash could be improved in comparison with the base period.

Within the Rába Modernisation Programme 2025, the group of companies continues to pay special attention to technological developments of strategic importance, in order to foster long-term competitiveness, profitability and sustainability. Through all of these efforts, the group of companies has placed its emphasis on sustainable operations and the development of future-proof production processes. The company is committed to meet the highest quality standards with its modern machinery



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and optimized production processes. The 2024 investments included the development of several key machines, which serve to expand production capacity and enhance innovation potential.

For Rába, business management with sustainability in focus is not only a legal obligation, the introduction and proper handling of sustainability aspects enhances the long-term value creating potential of Rába, lowers risks, and improves the authenticity and competitiveness of the company on the markets. Rába is committed to environmental protection, our key objective is to steadily reduce our environmental burden. Measures to improve energy efficiency and other investments in environmental protection increase our involvement to enhance sustainable development.

Key performance data of the Company in the accounts drawn up in accordance with the International Financial Reporting Standards (IFRS) (thousand HUF):

Description	2023		2024	
	Rába Plc Individual IFRS	Consolidated IFRS	Rába Plc Individual IFRS	Consolidated IFRS
Revenue	4 107 700	72 841 899	4 314 762	57 736 215
Operating revenue	684 432	1 340 186	788 604	2 190 059
Pre-tax profit	751 839	1 953 316	686 358	630 382
Aggregate income of current year	661 198	1 183 767	596 726	42 978
Registered capital	13 473 446	13 473 446	13 473 446	13 473 446
Shareholders' equity	17 116 321	23 996 260	17 713 047	24 039 238
Balance sheet total	25 489 779	57 948 202	23 468 528	56 466 821

During the business year, the Board of Directors liaised with the auditor of the Company and with the Supervisory Board and discussed the reports, accounts and proposals to be submitted to the annual general meeting of shareholders.

The Board of Directors has established, with the consent of the Supervisory Board and in consideration of the auditor's reports, that the financial accounts of the Company for the business year 2024 provide a reliable and accurate picture of the Company's business. The Board of Directors commends the individual and consolidated IFRS financial reports of the Company for 2024 for approval by the General Meeting of Shareholders.

The Board of Directors has reviewed, and in agreement with the Supervisory Board, and in consideration of the auditor's reports, has approved the consolidated sustainability report of the group of companies for the year 2024.

Based on the dividend policy of the Company in effect, the Board of Directors has prepared its recommendation for the use of the profits for the current year and motions that the profits for 2024 be placed by the General Meeting of Shareholders in retained earnings, in agreement with the Supervisory Board.

The Board of Directors has reviewed the 2024 Corporate Governance Report and commends it for approval by the General Meeting of Shareholders.

Győr, 19 March, 2025

Hetzmann Béla  
Chairman  
On behalf of the Board of Directors of Rába Plc.





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## **ITEM 1 ON AGENDA OF GENERAL MEETING**

### **ASSESSMENT OF THE COMPANY'S OPERATION IN 2024**

- 1.b) Report on the Company's normal and consolidated annual financial statements of 2024 drawn up as per the International Financial Reporting Standards (IFRS), Business report including the Consolidated Sustainability report, proposal of the Board of Directors for the approval of the normal and consolidated annual financial statements as well as proposal for the allocation of the total profit for the reporting year, the submission of Corporate Governance Report and the statement on the operation of the internal control system;**
  - 1.c) Report of the Auditor on the annual financial statements of 2024; assurance opinion of the qualified sustainability- auditor on the Sustainability report of 2024;**
- 

### **ANNEXES**

- Annex 1      Report on the Rába Plc's normal annual financial statements of 2024 drawn up as per the International Financial Reporting Standards and business report, Report of the Auditor on the normal annual financial statements of 2024
- Annex 2      Report on the Rába Plc's consolidated annual financial statements of 2024 drawn up as per the International Financial Reporting Standards, Business report including the Consolidated Sustainability report, Report of the Auditor on the consolidated annual financial statements of 2024, assurance opinion of the qualified sustainability auditor on the Sustainability report of 2024



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**RÁBA Automotive Holding Plc.**

# **CORPORATE GOVERNANCE REPORT**

**according to the Corporate Governance Recommendations  
of Budapest Stock Exchange**

**2024**



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## **Introduction**

### **The Company**

RÁBA Plc. is registered as a public limited company in Hungary by Győr Court of Justice as Court of Registration. The main market of Rába shares is the Hungarian Stock Exchange (BSE); so according to this, Rába takes into consideration the Hungarian Corporate Governance Policy and the obligatory legal regulations concerning to it.

RÁBA Plc. has always endeavoured to implement the highest standards of corporate governance structures and practices regarding to the national and international expectations. The main goal of the corporate governance system is to consider the interests of the shareholders of RÁBA Plc. and the broader group of stakeholders. Thereby it is ensured that the company enhances major value for its owners and people.

The Code of Corporate Governance introducing the corporate governance principles of RÁBA Plc. is available at the web site of the Company:

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Code\\_of\\_Corporate\\_Governance\\_2014.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Code_of_Corporate_Governance_2014.pdf)

RÁBA Plc. and its subsidiaries are committed to the increasing business profit achieved according to the company directives and in an ethical way. The basic target is to ensure a stable, permanent positive business. This target determinates also the desired attitudes, which are fixed in the Code of Ethics and Business Conduct. The Code of Ethics and Business Conduct is available at the web site of the Company:

[https://raba.hu/wp-content/uploads/2024/05/Raba-Plc\\_Code-of-Ethics\\_2024.04.pdf](https://raba.hu/wp-content/uploads/2024/05/Raba-Plc_Code-of-Ethics_2024.04.pdf)

### **Rába Group**

RÁBA Plc. controls the Rába Group, which is one of the biggest automotive groups of Hungary. The main point of the effective integration of Rába Group is the successful coordination of the activity of the subsidiaries. Rába Group consists of RÁBA Plc. as parent company and Rába Axle Ltd, Rába Automotive Components Ltd, Rába Vehicle Ltd. and REKARD LLC. as wholly-owned subsidiaries.

## **1.1. A brief presentation of the operation of the Board of Directors and the distribution of responsibilities and tasks between the Board of Directors and the management**

### **1.1.1. Short description of the Board of Directors' activity**

The number of board members is between 3 and 7 persons. The chairman and the members of the Board of Directors are elected by the General Meeting of Shareholders for a definite period of time not exceeding five (5) years. Members of the Board of Directors can be recalled from office at any time without any cause and can be re-elected upon expiry of their mandate. The Board of Directors consists of 7 (seven) members at present. The term of the individual board members ends at the date stipulated in the resolution of the general meeting of shareholders adopted about the election of the board members.

Members of the Board of Directors or the members of the Supervisory Board may not (apart from the acquisition of shares or positions in public limited companies) acquire shareholding and may not be a chief executive officer or supervisory board member in business organisations conducting a main activity identical to that of the Company, except the general meeting grants approval to such acquisition or position.

Executives and the Supervisory Board members of the Company shall inform the companies about their new executive or Supervisory Board positions within 15 days from the acceptance of such positions.



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Unless the general meeting gives approval, the members of the Board of Directors and the Members of the Supervisory Board and their relatives may not conclude on their own behalf or in their own favour contracts falling within the scope of activities of the Company except for contracts which are usually concluded as part of the every-day life.

#### **1.1.2. Authority and tasks of the Board of Directors**

The Board of Directors shall be the executive organ of the Company. The Board of Directors is not an operative management body, it is not involved in the Company's daily business. It makes decisions, it is responsible for all matters relating to the Company's management and course of business not fell under the exclusive competence of the General Meeting or other corporate bodies by the Articles of Association of the Company or by the law.

The detailed rules for the tasks, the authority and operation of the Board of Directors are contained in the Articles 19-21 of the Articles of Association of RÁBA Plc and in the Rules of Procedure of the Board of Directors, that are available at the web site of the Company:

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Articles\\_of\\_Association\\_20221025.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Articles_of_Association_20221025.pdf)

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Rules\\_of\\_Procedure\\_Board\\_2022.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Rules_of_Procedure_Board_2022.pdf)

#### **1.1.3. Management**

The management is responsible for the operative control of the Company. The management consists of three persons besides the Chief Executive Officer: the Chief Financial Officer, Commercial Director and Human resources Director.

##### **1.1.3.1. Chief Executive Officer**

The Chief Executive Officer shall be elected by the Board of Directors for an indefinite time-period.

The Board of Directors exercises the fundamental employer's rights (establishing, terminating employment relations, amendment of employment contracts, establishment of remuneration, severance pay), establishes the performance requirements and the related benefits (performance based wages or other benefits) and the other employer's rights (especially vacation, foreign visit permits) in relation to the Chief Executive Officer.

The detailed rules for the tasks and the authority of the Chief executive Officer are contained in the Article 22 of the Articles of Association of RÁBA Plc, which is available at the web site of the Company:

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Articles\\_of\\_Association\\_20221025.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Articles_of_Association_20221025.pdf)

##### **1.1.3.2. Deputy Chief Executive Officer**

The Deputy Chief Executive Officer is the deputy of the employer's number one chief. The Chief Executive Officer exercises the fundamental employer's rights (establishing, terminating employment relations, amendment of employment contracts, establishment of remuneration, severance pay) and the other employer's rights, establishes the performance requirements and the related benefits (performance based wages or other benefits) in relation to the Deputy Chief Executive Officer.

The scope of activities of the general deputy general manager includes the performance of tasks related to specific case group, organizational unit and the general deputy tasks in the absence of the CEO, the management of the financial, accounting, business planning tasks of the Group, monitoring of the operation of the Group's companies, financial analysis thereof, preparation of the guidelines, coordination of the sale and leasing of assets.

##### **1.1.3.3. Commercial Director**

The Chief Executive Officer exercises the fundamental employer's rights (establishing, terminating employment relations, amendment of employment contracts, establishment of remuneration, severance pay) and the other employer's rights, establishes the performance requirements and the related



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benefits (performance based wages or other benefits) in relation to the Commercial Director.

Managing of the strategic sourcing process of the Company, determination of the sourcing strategy and signing of the related strategic contracts, preparation and approval of the frame agreement for strategic services on Group level, searching of the market, business possibilities, determination of the business development directions, managing of the exploration process of the new business opportunities, establishment of new relations, identification of new businesses (product/client), managing of the introduction projects of new product/client, the management of the process of preparing offers, the support of the pricing activity, the preparation of the sales plan, as well as overseeing the process of customer relations and the development of the sales and marketing strategy fall within the Commercial Director's activity.

#### **1.1.3.4. Human resources Director**

The Chief Executive Officer exercises the fundamental employer's rights (establishing, terminating employment relations, amendment of employment contracts, establishment of remuneration, severance pay) and the other employer's rights, establishes the performance requirements and the related benefits (performance based wages or other benefits) in relation to the Human resources Director.

Planning, organization, managing, coordination and controlling of the human resources management, preparation and implementation of the human resources development (human strategy) fitting into the business plan, creation of management information systems, planning systems, analysing methods fall within the Human resources Director's activity.

#### **1.1.4. Relationship between the Board of Directors and the Management**

The members of the management may attended the normal and extraordinary meeting of the Board of Directors ad hoc.

The management reports to the members of the Board of Directors quarterly. They are informed on the operation of the Company and the Group, introduced the efficiency's difference from the base period and the business plan.

The management prepares ad hoc analysis about the significant changes of the operation of the Company and the Group, and about the projects different from the business plan for the Board of Directors.

### **1.2. An introduction of the Board of Directors, Supervisory Board (and Audit Committee) and management members, a presentation of the boards' structures**

#### **1.2.1. Members of Board of Directors**

Hetzmann, Béla, Chairman of the Board of Directors, mandate from 04.12.2020 till 19.05.2026 (not independent)

dr. Csüllög, Nóra, Member of the Board of Directors, mandate from 04.12.2020 till 19.05.2026 (independent)

Lang-Péli, Éva, Member of the Board of Directors, mandate from 04.12.2020 till 19.05.2026 (not independent)

Majoros, Csaba, Member of the Board of Directors, mandate from 04.12.2020 till 19.05.2026 (independent)

Mráz, Dániel Emánuel, Member of the Board of Directors, mandate from 04.12.2020 till 19.05.2026 (independent)

Simon, Attila János, Member of the Board of Directors, mandate from 22.04.2023 till 07.11.2024 (independent)



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Dr. Szász, Károly, Member of the Board of Directors, mandate from 30.09.2021 till 19.05.2026 (independent)

Dr. Szabó-Szombati, Tibor István, Member of the Board of Directors, mandate from 08.11.2024 till 19.05.2026 (independent)

CV of the members of Board of Directors is available at the web site of Rába Plc:

<https://raba.hu/en/vallalat/>

#### **1.2.2. Members of Supervisory Board (and Audit Committee)**

Prof. Dr. Palkovics, László, Chairman of the Supervisory Board (and Audit Committee), mandate from 25.01.2023 till 07.11.2024 (independent)

Sárközi, Dávid Soma, Member of the Supervisory Board (and Audit Committee), mandate from 08.11.2024 till 30.04.2027 (independent)

Dr. Harmath, Zsolt, Member of the Supervisory Board (and Audit Committee), mandate from 17.04.2016 till 07.11.2024 (independent)

dr. Szabó, Sándor József, Member of the Supervisory Board (and Audit Committee), mandate from 04.12.2020 till 30.04.2027 (independent)

Dr. Antal, Ferenc, Chairman of the Supervisory Board (and Audit Committee), mandate from 08.11.2024 till 30.04.2027 (independent)

CV of the members of Supervisory Board (and Audit Committee is available at the web site of Rába Plc:

<https://raba.hu/en/vallalat/>

#### **1.2.3. Members of management**

Hetzmann, Béla, Chief Executive Officer

Lang-Péli, Éva, Deputy Chief Executive Officer

Vida, László, Commercial Director

Kőszegi, Enikő, Human Resources Director (till 16.05.2024)

Bojnár, Éva, Human Resources Director (from 02.08.2024)

CV of members of management is available at the web site of RÁBA Plc: <https://raba.hu/en/vallalat/>

#### **1.2.4. Structure of Supervisory Board and Audit Committee**

##### **Supervisory Board**

Supervision of the Company's executive management is performed by the Supervisory Board elected by the General Meeting of Shareholders. The Supervisory Board of the Company is made up of three members. The task of the Supervisory Board is to supervise the management of the Company in favour of the supreme body and with the purpose of protecting the Company's interest.

The chairman and the members of the Supervisory Board are elected by the General Meeting of Shareholders.

The members of the Supervisory Board are elected for a definite period of time, no longer than five years. Members of the Supervisory Board can be re-elected or recalled, without cause. The term of a member of the Supervisory Board elected through interim election, shall expire when the term of the other members of the Supervisory Board expire.

##### **Audit Committee**

From among the independent members of the Supervisory Board the general meeting of shareholders shall elect a three-member Audit Committee.





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If the Supervisory Board has three members, and all are independent pursuant to the law, they are automatically elected by the General Meeting of Shareholders to become members of the Audit Committee. The chairman of the Audit Committee is elected by the members from among themselves. The termination of the membership in the Audit Committee is governed by the rules for the termination of the membership in the Supervisory Board. The membership in the Audit Committee is also terminated if the membership in the Supervisory Board is terminated.

### **1.3. Meetings of the Board of Directors, Supervisory Board (and Audit Committee) held in the given period**

The Board of Directors of Rába Plc. had got 3 times meeting held by personal attendance or by means of telecommunication and 5 times written voting in 2024, with an average attendance of 100 per cent. The Board of Directors discussed the submissions to the General Meeting, the main events concerning the Group and their effects, the periodical and expected results, the plans and prospects of the companies, among others on its meetings.

The Supervisory Board (and Audit Committee) had got 3 times meeting held by personal attendance or by means of telecommunication and 3 time written voting in 2024, always with an attendance of 100%. The Committees discussed the main events of the Company, its economic, financial situation and the reports of the internal auditor on their meetings.

### **1.4. Presentation of the work done by the Board of Directors, the Supervisory Board and the management as well as the considerations for assessing their individual members**

The base of the evaluation of the Board of Directors' and Management' work is the strategy and the business plan.

The Board of Directors makes a detailed on analysis based strategy plan generally for 4 years. This plan will be controlled every year and does the necessary updates. With the evaluation of the work done for realizing the plan the Committee qualify the correctness of the strategy and evaluate itself work. The Board of Directors generally prepares a report on the Company's business operations in the last business year for the annual general meeting.

The work of the Chief Executive Officer is evaluated through the fulfilment of the business plan. This evaluation will take place formally at the last Board of Directors' Meeting after the Annual General Meeting, when they determine the payable amount of annual bonus for the Chief Executive Officer.

The Supervisory Board expresses the opinion previously on evaluation of the performance of the Chief Executive Officer and the Deputy Chief Executive Officer.

The annual work of the Deputy Chief Executive Officer, the Commercial Director and the Human resources Director was evaluated by the Chief Executive Officer in framework of the „annual personal efficiency evaluation” (APEE). The payable amount of the bonus is determined by fulfilment of business and personal targets.

The evaluation of the work of the Chief Executive Officer will be documented in the records of the Board of Directors' Meeting, and the evaluation of the work of the Chief Financial Officer, the Technical Director, the Commercial Director and the Human Resources Director will be documented on the personal efficiency evaluation sheet.

The Supervisory Board reviews its activity in the previous year yearly. The annual general meeting discusses the Report of the Supervisory Board under the approval of the annual financial statements.





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## **1.5. Operation and tasks of the Supervisory Board and Audit Committee**

Considering that the professional introduction of the Committee members is presented in Item 1.2 and the Item 1.3 gives information on the meetings held, this Item is about the operation and tasks of the committees.

### **1.5.1. Supervisory Board**

Supervision of the Company's executive management is performed by the Supervisory Board elected by the General Meeting of Shareholders. The Supervisory Board of the Company is made up of three members. The task of the Supervisory Board is to supervise the management of the Company in favour of the supreme body and with the purpose of protecting the Company's interest.

The chairman and the members of the Supervisory Board are elected by the General Meeting of Shareholders.

The members of the Supervisory Board are elected for a definite period of time, no longer than five years. Members of the Supervisory Board can be re-elected or recalled, without cause. The term of a member of the Supervisory Board elected through interim election, shall expire when the term of the other members of the Supervisory Board expire.

The detailed rules for the tasks, the authority and operation of the Supervisory Board are contained in the Articles 23-24 of the Articles of Association of Rába Plc and in the Rules of Procedure of the Supervisory Board, that are available at the web site of the Company:

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Articles\\_of\\_Association\\_20221025.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Articles_of_Association_20221025.pdf)

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Rules\\_of\\_Procedure\\_SB\\_2016.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Rules_of_Procedure_SB_2016.pdf)

### **1.5.2. Audit Committee**

From among the independent members of the Supervisory Board the general meeting of shareholders shall elect a three-member Audit Committee.

If the Supervisory Board has three members, and all are independent pursuant to the law, they are automatically elected by the General Meeting of Shareholders to become members of the Audit Committee. The chairman of the Audit Committee is elected by the members from among themselves. The termination of the membership in the Audit Committee is governed by the rules for the termination of the membership in the Supervisory Board. The membership in the Audit Committee is also terminated if the membership in the Supervisory Board is terminated.

The Audit Committee shall – unless it is composed automatically of the members of the Supervisory Board – prepare its own procedures. If it is composed automatically of the members of the Supervisory Board, its procedures are identical with those of the Supervisory Board.

Furthermore, the Audit Committee is governed by the special provisions concerning the of public-interest entities of Act CXX of 2001 on the Capital Market.

The detailed rules for the tasks, the authority and operation of the Audit Committee are contained in the Article 24.5 of the Articles of Association of Rába Plc and in the Rules of Procedure of the Supervisory Board, that are available at the web site of the Company:

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Articles\\_of\\_Association\\_20221025.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Articles_of_Association_20221025.pdf)

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Rules\\_of\\_Procedure\\_SB\\_2016.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Rules_of_Procedure_SB_2016.pdf)

## **1.6. System of internal controls, evaluation of the activities performed in the given period, efficiency and effectiveness of the risk management procedures**

The elements of the internal controlling system function as a group of closely interrelated mechanisms and cover all activities of the organisation, namely:



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- the regulatory environment and internal rules regulating the activities of the company (*controlling environment*),
- the survey, analysis, evaluation and management of the factors threatening the regular and efficient performance of activities (*integrated risk management system*),
- the adoption of measures ensuring regular operation (*controlling activities*),
- the ongoing communications tasks related to the above activities (*information and communication system*),
- the continuous monitoring and controlling of activities (*monitoring activity*).

The compliance function and the risk control function form part of the internal controlling system, performing the key task of ensuring the integrity of the organisation and of its operation.

The Company is committed to business profitability achieved through ethical means, in accordance with corporate guidelines and views long-term, positive business as its key objective. This defines the desirable forms of conduct outlined in the Code of Ethics and Business Conduct.

The Company has developed a general procedure for the receipt and review of breaches, irregularities, as well as of claims regarding integrity and corruption risks to thus ensure the effective management of corruption risks within the organisation and to improve the resilience of the organisation in the face of corruption.

The Company has set its strategic objectives, longer-term directions and the order of precedence of its goals in the strategic plan and the short-term goals in its business plans and has developed the organisational structure best suited to achieve our goals and to carry out our tasks in the most efficient manner. The Company has devised a financial plan that ensures that any situation threatening with insolvency can be avoided, i.e. the company's liquidity position remains positive throughout the financial year. All our employees are expected to take an active part in the efficient implementation of the Company's strategic objectives. For this management has provided the employees with clearly formulated information regarding the strategic goals and the operational objectives broken down by organisational units, to ensure they can identify with and pay special attention to such goals and objectives when performing their tasks.

The Company's organisational structure nurtures financially viable, efficient and profitable work, facilitates the implementation of interrelated processes and the flow of work-related information and has a logically built reporting route. The corporate management system and internal controlling operating within the Company ensure the transparent, regular, regulated, economical, efficient and profitable use of available funds.

The Company operates an integrated risk management system, within which risks inherent to the operation of the Company and associated with the organisational targets are identified and analysed in a comprehensive manner to be managed in the interest of efficient and profitable operation and identifies the measures necessary to reduce the individual risks to the level below the tolerance threshold, as well as the sphere of organisational units effected by the measure, the method and procedural order of continuous monitoring of such measures.

The flowchart prepared in the course of establishing the controlling environment serves at the same time as the risk universe that defines the basis and the structure of risk management.

All elements of the risk management process (methodology, risk assessment, analysis, management) are subjected to regular review by the Company, upon new activities and organisational changes risks are assessed and evaluated.

Controlling activities, i.e. procedures supplementing the controlling environment (tools, procedures, mechanisms) have been developed by the management in order to manage risks and facilitate the fulfilment of Company goals in terms of operating effectiveness and efficiency, the reliability of financial reporting and compliance with the applicable regulations, requirements and guidelines. Controls



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are developed by the management subject to the complexity and significance of the process at hand, in consideration of Company goals and of risks identified.

The Company has developed its information and communication system in such a way that it can provide objective information to management, executive bodies and partners. On the other hand, it ensures that through the appropriate communication channels, external information reaches the organisational unit where such information can be utilised. In view of the importance of the reliability of information, internal rules make sure that in an official form only verified information can be circulated within or in justified cases leave the Company, and that confidential information is not released to unauthorised parties.

In accordance with the provisions of the Hungarian and European Union data protection regulations (GDPR), the Data protection and data security regulations of the Company regulate the records kept on the internal data management processes of the Company, as well as the range of personal data managed, the definition of the way of data management, as well as the rights of those involved.

The acting internal control organization works under the supervision of the Supervisory Board. It does its activity based on and according to the approved yearly internal control plan, which will be completed with ad-hoc monitoring.

The internal controls done during 2024 didn't found any deficiency dangerous for the operation of the company or for the interests of shareholders. There was any offence against law. All the deficiencies written in the internal control reports are solved or under way and all the proposals of these reports are launched.

The Company's shareholders are informed about the operation of the internal control system by the Company's publications.

### **1.7. Activity of the auditor**

In 2024 the audit of Rába Group for the 2023 business year was done by KPMG Hungária Kft. Mr. Attila Sándor Juhász was the auditor in charge. The company does not provide other professional services different from the audit in 2024. For the 2024 business year the audit of Rába Group is being done by Ernst & Young Audit Kft, János Varga is the auditor in charge.

### **1.8. Publication policy, insider people**

In its publication policy Rába Plc. uses statutory and required rules according to the publicize rules and regulations of law, the rules of Budapest Stock Exchange and the rules of its own Articles of Associations. The places of publicize are: the website of the company ([www.raba.hu](http://www.raba.hu)) and the official website of Budapest Stock Exchange according to the articles of associations; and the capital market publication system operating by the Central Bank of Hungary.

According to 199§ of Capital Market Act, based on Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse Rába Plc. ensures that the records concerning persons with access to insider information, working for Rába in labour relation or in other quasi contract, are kept in accordance with the provisions of the law. Directives of Capital Market Law are valid to the insider people.

### **1.9. Exercising shareholders' rights**

The shareholders may exercise shareholders' rights in relation to the Company provided that they are registered in the Company's Register of Shareholders and their ownership of shares is certified by a shareholding certificate.

The shareholding certificate is not required for exercising shareholders' rights if the Register of Shareholders is compiled by way of shareholder's identification initiated by the Company,



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Shareholders shall be entitled to participate in the General Meetings and to vote if they hold shares with voting rights. To exercise shareholders' rights at the General Meeting of Shareholders, either in person, or through the authorised representative, the shareholder's name has to be shown in the Register of Shareholders at 6 p.m., on the second working day preceding the starting day of the General Meeting of Shareholders, based on the shareholder's identification initiated by the Company for the period between the 7th and the 5th working day preceding the General Meeting of Shareholders.

The Register of Shareholders shall be kept by the Board of Directors of the Company or by the person contracted with the Board of Directors for keeping the Register of Shareholders. The Register of Shareholders shall contain for each shareholder: the company/name of the shareholder (proxy holder); seat/address of the shareholder (proxy holder); number, nominal value of shares, amount paid for the individual shares, as well as the ownership ratio of the shareholder (proxy holder) per share series and the date of entry into the Register of Shareholders.

Shareholders have the right to a pro-rata portion of the net profit to be distributed according to the resolution of the General Meeting of Shareholders (dividend).

Shareholders recorded in the Register of Shareholders on the day as defined by the General Meeting of Shareholders deciding about the dividend payment are entitled to a dividend. The right to claim an uncollected dividend shall lapse after five years from when the dividend was due.

The detailed rules for exercising of shareholders' rights are contained in the Articles of Association of Rába Plc, which is available at the web site of the Company:

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Articles\\_of\\_Association\\_20221025.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Articles_of_Association_20221025.pdf)

### **1.10. Rules for the settlement of the General Meeting**

The supreme organ of the Company is the General Meeting of Shareholders, composed of the totality of the shareholders. The General Meeting of Shareholders has the right to decide matters under the competence of the Board of Directors, including those of the Chief Executive Officer, as well.

The Annual General Meeting is held once a year, by the deadline stipulated by the relevant legal regulation. If it is necessary, the Company may hold extraordinary general meeting, beside the annual general meeting, at any time as specified in the Articles of Association.

The detailed rules for tasks, authority and settlement of the General Meeting are contained in the Articles 13-18 of the Articles of Association of Rába Plc, which is available at the web site of the Company:

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Articles\\_of\\_Association\\_20221025.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Articles_of_Association_20221025.pdf)

### **1.11. Remuneration policy, remuneration report**

Pursuant to Act LXVII of 2019 on Encouraging long-term shareholder engagement and amendments of certain laws for harmonisation purposes, the Company has drafted its Remuneration Policy for the first time in 2020. The Remuneration rules and policy now in force is approved through the resolution No. 6/2021.09.30. passed by the general meeting of shareholders.

Pursuant to the Remuneration Policy and Rules in effect and to the relevant legal regulations, the Company shall draft a remuneration report annually, submit it to the annual general meeting of shareholders for opinion vote and publish on the webpage following the voting of the general meeting of shareholders called to express its position. The purpose of the Remuneration Report is to provide a comprehensive overview of any and all remuneration awarded during or due on the basis of the results of the business year 2023 to company executives and officials as stipulated by the law (members of the Board of Directors, members of the Supervisory Board, CEO, Deputy CEO), as set forth in the Remuneration Policy and Rules. The remuneration of company executives and officials in 2024 was paid in line with the provisions of the Remuneration Policy and Rules and its amount,



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according to the position of the Board of Directors, served the long-term interests and performance of the Company, provided an incentive for efficient operation and promoted the successful implementation of the 2022 business policy, economic and strategic objectives of the Company.

The Remuneration policy is available at the web site of the Company:

[https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba\\_Plc\\_Remuneration\\_rules\\_and\\_policy\\_20210930.pdf](https://raba.hu/wp-content/uploads/befektetoknek/alapdokumentumok/Raba_Plc_Remuneration_rules_and_policy_20210930.pdf)

Győr, March 2025



## **Corporate Governance Report on Compliance with the Corporate Governance Recommendations**

### **LEVEL OF COMPLIANCE WITH THE RECOMMENDATIONS**

#### **1. Shareholders' rights and the General Meeting**

##### **1.1. General Principles**

- 1.1.1. Does the Company have an organisational unit dealing with investor relationship management, or a designated person to perform these tasks?

**Yes**

- 1.1.2. Are the Company's Articles of Association available on the Company's website?

**Yes**

- 1.1.4. If the Company's Articles of Association allow shareholders to exercise their rights in their absence, did the Company publish the methods and conditions of doing so, including all necessary documents?

**Yes**

##### **1.2. Convening the General Meeting**

- 1.2.1. Did the Company publish on its website a summary document containing the rules applicable to the conduct of its General Meetings and to the exercise of voting rights by shareholders?

**Yes**

- 1.2.2. Did the Company publish the exact date when the range of those eligible to participate in a given company event is set (record date), and also the last day when the shares granting eligibility for participating in a given company event are traded?

**Yes**

- 1.2.3. Did the Company hold its General Meetings in a manner providing for maximum shareholder participation?

**Yes**

- 1.2.6. The Company did not restrict the shareholders' right to designate a different representative for each of their securities accounts to represent them at any General Meeting.

**Yes**

- 1.2.7. For proposals for the agenda items, were the Board of Directors' draft resolution and also the Supervisory Board's opinion disclosed to the shareholders?

**Yes**

##### **1.3. Conducting the General Meeting**

- 1.3.3. The Company did not restrict the right of its shareholders attending a General Meeting to request information, add comments and submit proposals, or set any preconditions for these with the exception of some measures taken to conduct the General Meeting in a correct manner and as intended.

**Yes**





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- 1.3.4. By answering the questions raised at the General Meeting, did the Company ensure compliance with the information provision and disclosure principles set out in legal and stock exchange requirements?

**Yes**

- 1.3.5. Did the Company publish on its website the answers to the questions that the representatives of the Company's boards or its auditor present at the General Meeting could not satisfactorily answer at the meeting within 3 working days following the General Meeting, or an official statement explaining why it refrained from giving answers?

**Yes**

- 1.3.7. Did the Chairman of the General Meeting order a recess or suggest that the General Meeting be postponed when a proposal or proposal relating to a particular issue on the agenda was submitted which the shareholders hadn't had a chance to become familiar with before the General Meeting?

**Yes**

- 1.3.8.1. The Chairman of the General Meeting did not use a combined voting procedure for a decision related to electing and recalling executive officers and Supervisory Board members.

**Yes**

- 1.3.8.2. For executive officers or Supervisory Board members, whose nominations were supported by shareholders, did the Company disclose the identity of the supporting shareholder(s)?

**Yes**

*Explanation: Yes, the Company disclosed the identity of the nominating shareholder(s).*

- 1.3.9. Prior to discussing agenda items concerning the amendment of the Articles of Association, did the General Meeting pass a separate resolution to determine whether to decide on each amendment of the Articles of Association by individual votes, joint votes, or votes combined in a specific way?

**No**

*Explanation: According to the practices until now, the General Meeting passed one resolution on the amendment of the Articles of Association proposed by the Company and resolutions on each amendment of the Articles of Association proposed by shareholder motion separated, except when the General Meeting required differently, then passed a separate resolution on setting of the consolidated memorandum of the Articles of Association according to the amendments and submitting thereof to the Court of Registry.*

- 1.3.10. Did the Company publish the minutes of the General Meeting containing the resolutions, the description of the draft resolutions and any important questions and answers related to the draft resolutions within 30 days following the General Meeting?

**Yes**

*Explanation: The Company published the draft resolutions of the General Meeting, then the resolutions of the General Meeting. Since there is not any legal obligation on publishing of the Minutes of the General Meeting, the Company met its commitments on deposition of the Minutes of the General Meeting on the Court of Registry according to the current prescriptions of the Civil Code.*

## **1.6. Transparency and Publication**

- 1.6.1.1. Do the Company's publication guidelines cover the procedures for electronic, online disclosure?

**Yes**

- 1.6.1.2. Does the Company design its by considering the aspects of disclosure and the information of investors?

**Yes**



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- 1.6.2.1. Does the Company have an internal publication policy in place which covers the processing the information listed in Section 1.6.2 of the Recommendations document?

**Yes**

- 1.6.2.2. Do the internal regulations of the Company cover the methods for the assessment of events judged to be important for publication?

**Yes**

- 1.6.2.3. Did the Board of Directors assess the efficiency of the publication processes?

**Yes**

*Explanation: The management assesses the efficiency of the publication processes at the Company.*

- 1.6.2.4. Did the Company publish the findings of the efficiency assessment of the publication process?

**No**

*Explanation: The Company assesses the efficiency of the publication processes by an internal analysis. It is not required to publish its findings, so the Company does not considered necessary to publish it.*

- 1.6.3. Did the Company publish its annual company event calendar?

**Yes**

- 1.6.4. Did the Company publish its strategy, business ethics and policies regarding other stakeholders?

**Yes**

*Explanation: The strategic guidelines were not fully published because of business policy.*

- 1.6.5. Did the Company publish the career information of Board of Directors, Supervisory Board and management members in its annual report or on the company website?

**Yes**

- 1.6.6. Did the Company publish all relevant information about the internal organisation and the operation of the Board of Directors and the Supervisory Board, about the work of the management, the assessments of these and the changes in the current year?

**Yes**

- 1.6.8. Did the Company publish its risk management guidelines and information about its system of internal controls, the main risks and the principles for their management?

**Yes**

- 1.6.9.1. Did the Company publish its guidelines relating to the trading of its shares by insiders?

**No**

*Explanation: The Company enforces the legal provisions.*

- 1.6.9.2. Did the Company disclose the share of the Board of Directors, Supervisory Board and management members in the securities issued by the Company, as well as the extent of their interest under the equity-based incentive system in the annual report or in some other way?

**Yes**

- 1.6.10. Did the Company publish the relationship of Board of Directors, Supervisory Board and management members may have with third parties which could affect the operation of the Company?

**Yes**





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## **2. Governance, Control, Risk Management**

### **2.1. Distribution of responsibilities and competences within the Company**

- 2.1.1. Does the Company's Articles of Association contain clear provisions regarding the responsibilities and competences of the General Meeting and the Board of Directors?

**Yes**

### **2.2. Board of Directors**

- 2.2.1. Does the Board of Directors have a rules of procedure in place defining the organisational structure, the actions for arranging for and conducting the meetings, and the tasks regarding the adopted resolutions, as well as other issues related to the operation of the Board of Directors?

**Yes**

- 2.2.2. Does the Company publish the procedure used for nominating Board of Directors members and the principles for determining their remuneration?

**No**

*Explanation: The Company does not publish the procedure used for nominating the members of the Board of Directors; they are nominated pursuant to shareholder motion on the General Meeting.*

### **2.3. Supervisory Board**

- 2.3.1. Does the Supervisory Board provide a detailed description of its operation and duties, as well as the administrative procedures and processes followed by it, in its rules of procedure and work plan?

**Yes**

### **2.4. Meetings of the Board of Directors and the Supervisory Board**

- 2.4.1.1. Did the Board of Directors and the Supervisory Board hold meetings periodically at a pre-defined interval?

**Yes**

- 2.4.1.2. Did the rules of procedure of the Board of Directors and the Supervisory Board provide rules for the conduct of meetings that cannot be planned in advance, and for decision-making using electronic telecommunications means?

**Yes**

- 2.4.2.1. Did board members have access to the proposals to be presented at the meeting of the respective board at least five days prior to the meeting?

**Yes**

- 2.4.2.2. Did the Company arrange the proper conduct of the meetings, the drawing up of the meeting minutes and management of the resolutions made by the Board of Directors and the Supervisory Board?

**Yes**

- 2.4.3. Do the rules of procedure provide for the regular or ad hoc participation of non-board members at respective board's meetings?

**Yes**



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## **2.5. Members of the Board of Directors and the Supervisory Board**

- 2.5.1. Were the members of the Board of Directors and the Supervisory Board nominated and elected in a transparent process, and was the information about the candidates made public in due time before the General Meeting?

**Yes**

*Explanation: The members of the Board of Directors and of the Supervisory Board are nominated and elected pursuant to shareholder motion. The Company do not have any influence, when and what information gives the shareholder in its motion referring to the candidates.*

- 2.5.2. Does the composition and size of the boards comply with the principles set out in Section 2.5.2 of the Recommendations?

**Yes**

- 2.5.3. Did the Company ensure that the newly elected Board of Directors and Supervisory Board members became familiar with the structure and operation of the Company and their tasks were carried out as members of the respective boards?

**Yes**

## **2.6. Independence of Supervisory Board members**

- 2.6.1. Did the Supervisory Board request (in the context of preparing the annual corporate governance report) its members considered to be independent to confirm their independence at regular intervals?

**Yes**

- 2.6.2. Does the Company provide information about the tools which ensure that the Board of Directors assesses objectively the management's activities?

**Yes**

- 2.6.3. Did the Company publish its guidelines concerning the independence of its Supervisory Board members and the applied independence criteria on its website?

**No**

*Explanation: The Company enforces the legal provisions.*

- 2.6.4. Does the Supervisory Board of the Company have any members who has held any position in the Board of Directors or in the management of the Company in the previous five years, not including cases when they were involved to ensure employee participation?

**Yes**

## **2.7. Conflict of interest of Board of Directors and Supervisory Board members – insider trading**

- 2.7.1. Did members of the Board of Directors inform the Board of Directors and (if applicable) the Supervisory Board (or the Audit Committee if a uniform governance system is in place) if they, or individuals they have business relations with, or their relatives have interest in any business transactions of the Company (or any subsidiaries thereof) which excludes their independence?

**Yes**



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- 2.7.2. Were transactions and assignments between members of boards/ members of the management/individuals closely associated with them and the Company/subsidiaries of the Company carried out in accordance with the Company's general business practice but applying more stringent transparency rules compared to general business practice, and were they approved?

**Yes**

- 2.7.3. Did board members inform the Supervisory Board / Audit Committee (Nominating Committee) if they had received an appointment for board membership or management position of a company not belonging to the Company Group?

**Yes**

- 2.7.4. Did the Board of Directors develop guidelines for the flow of information and the management of insider information within the Company, and monitor compliance with them?

**Yes**

*Explanation: The management developed and monitor the internal rules for the flow of information and the management of insider information within the Company.*

## **2.8. Internal control systems and risk management**

- 2.8.1. Did the Company create an independent internal audit function that reports directly to the Audit Committee / Supervisory Board?

**Yes**

- 2.8.2. Does Internal Audit have unrestricted access to all information necessary for carrying out audits?

**Yes**

- 2.8.3. Did shareholders receive information about the operation of the system of internal controls?

**Yes**

- 2.8.4. Does the Company have a function ensuring compliance (compliance function)?

**Yes**

- 2.8.5.1. Is the Board of Directors or a committee operated by it responsible for the supervision and management of the entire risk management of the Company?

**Yes**

- 2.8.5.2. Did the relevant organisation of the Company and the General Meeting received information about the efficiency of the risk management procedures?

**Yes**

- 2.8.6. With the involvement of the relevant areas, did the Board of Directors develop the basic principles of risk management taking into account the special idiosyncrasies of the industry and the Company?

**Yes**

- 2.8.7. Did the Board of Directors define the principles for the system of internal controls to ensure the management and control of the risks affecting the Company's activities as well as the achievement of its performance and profit objectives?

**Yes**

*Explanation: According to legal regulations it is the duty of the Chief Executive Director to set up and operate the internal control system at the publicly owned companies.*



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- 2.8.8. Did internal control systems functions report about the operation of internal control mechanisms and corporate governance functions to the competent board at least once a year?

**Yes**

## **2.9. External Advisor, Auditor**

- 2.9.2. Did the Board of Directors invite the Company's auditor in an advisory capacity to the meetings on financial reports?

**Yes**

## **Level of compliance with the Proposals**

- 1.1.3. Does the Company's Articles of Association provide an opportunity for shareholders to exercise their voting rights also when they are not present in person?

**Yes**

- 1.2.4. Did the Company determine the place and time of General Meetings initiated by shareholders by taking the initiating shareholders' proposal into account?

**Yes**

- 1.2.5. Does the voting procedure used by the Company ensure a clear, unambiguous and fast determination of voting results, and in the case of electronic voting, also the validity and reliability of the results?

**Yes**

- 1.3.1.1. Were the Board of Directors and the Supervisory Board represented at the General Meeting?

**Yes**

*Explanation: At the General Meeting, the Board of Directors was represented by the Chairman of the Board of Directors, the Supervisory Board was represented by the Chairman of the Supervisory Board.*

- 1.3.1.2. In the event the Board of Directors and the Supervisory Board was absent, was it disclosed by the Chairman of the General Meeting before discussion of the agenda began?

**Yes**

- 1.3.2.1. The Articles of Association of the Company did not preclude any individuals from receiving an invitation to the General Meetings of the Company at the initiative of the Chairman of the Board of Directors and being granted the right to express their opinion and to add comments there if that person's presence and expert opinion is presumed to be necessary or help provide information to the shareholders and help the General Meeting make decisions.

**Yes**

- 1.3.2.2. The Articles of Association of the Company did not preclude any individual from receiving an invitation to the General Meetings of the Company at the initiative of shareholders requesting to supplement the agenda items of the General Meeting and from being granted the right to express their opinion and to add comments there.

**Yes**

- 1.3.6. Does the annual report of the Company prepared as specified in the Accounting Act contain a brief, easy-to-understand and illustrative summary for shareholders, including all material information related to the Company's annual operation?

**Yes**



*We engineer, you drive*

- 1.4.1. In line with Section 1.4.1, did the Company pay dividend within 10 working days to those of its shareholders who had submitted all the necessary information and documents?

**Yes**

- 1.6.11. Did the Company publish its information in English as well, in line with the provisions of Section 1.6.11?

**Yes**

- 1.6.12. Did the Company inform its investors about its operation, financial situation and assets on a regular basis, but at least quarterly?

**Yes**

- 2.9.1. Does the Company have in place internal procedures regarding the use of external advisors and outsourced activities?

**Yes**

Győr, March 2025

## **This is a translation of the Hungarian Report**

### **Independent Auditors' Report**

To the Shareholders of Rába Járműipari Holding Plc.

#### **Report on the audit of the financial statements**

##### **Opinion**

We have audited the 2024 financial statements of Rába Járműipari Holding Plc. ("the Company") included in the accompanying 529900YBK6AH4WL22R69-2024-12-31-HU.zip digital file<sup>1</sup>, which comprise the statement of financial position as at 31 December 2024 - showing total assets of HUF 23,468,528 thousand -, the related comprehensive income statement - showing a total comprehensive income for the year of HUF 596,726 thousand -, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and of its financial performance and its cash flows for the financial year then ended in accordance with International Financial Reporting Standards as adopted by the EU ("EU IFRSs") and have been prepared, in all materials respects, in accordance with the supplementary requirements of Act C of 2000 on Accounting ("Hungarian Accounting Law") relevant for financial statements prepared in accordance with EU IFRSs.

##### **Basis for opinion**

We conducted our audit in accordance with Hungarian National Auditing Standards and with applicable laws and regulations in Hungary, including also Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities ("Regulation (EU) No. 537/2014"). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the applicable ethical requirements according to relevant laws in effect in Hungary and the policy of the Chamber of Hungarian Auditors on the ethical rules and disciplinary proceedings and, concerning matters not regulated by any of these, with the International Ethics Standards Board of Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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<sup>1</sup> Digital identification of the above referred 529900YBK6AH4WL22R69-2024-12-31-HU.zip digital file, using SHA 256 HASH algorithm is:  
c9f4d93f9f15c5cfd5a957997b352ba7ceb425676fd0c18d012c64ee3083b964

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the financial statements section” of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

#### Valuation of Investments in Subsidiaries

Rába Holding Plc.’s investment in subsidiaries amount to HUF 9,905,730 thousand, which is 42% of total assets. Investments in subsidiaries are presented at cost less any accumulated impairment in the financial statements. Valuation of investments in subsidiaries involves significant management judgement.

Management annually assesses if the investments are impaired by comparing the book value of investment to recoverable amount in accordance with IAS 36.

Recoverable amount is determined by the discounted cash flow model based on the future budgets and plans.

Due to the significance of investments in subsidiaries and the related estimation uncertainty we considered impairment test of investments in subsidiaries as a key audit matter.

Our procedures in relation to management’s impairment assessment of investment in subsidiaries included:

We gained understanding of the process and tested the design of the internal controls over the Company’s assessment of these assets.

Evaluating management’s competence, capabilities and objectivity.

Involving our valuation expert to assist us in evaluating the assumptions and the methodology used by the Company to assess the recoverable amount of the investments in subsidiaries to determine its compliance with IAS 36 and consistency of application.

We assessed the assumptions used by the Company in determination of whether impairment indicators exist. The assessment took into consideration current industry trends and the Company expectations for the key prospective information used in the impairment models. We reconciled the future cash flows to strategic plans.

We examined whether the Company has evaluated the impairment assessment of affiliated companies, and if necessary, recorded impairment.

We assessed the accuracy of the information presented in the notes to the financial statements regarding valuation of Investments in subsidiaries in line with IAS36. The Company's disclosures about accounting policy relating to Investment in subsidiaries are included in Note 2 d) vii) Valuation of Investment in Subsidiaries, Note 6 Investment in Subsidiaries.

### **Other matters**

The consolidated financial statements as at 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 27 March 2024.

### **Other information**

Other information consists of the 2024 business report and management report of the Company. Management is responsible for the preparation of the business report and management report in accordance with the Hungarian Accounting Law and other relevant legal requirements, if any. Our opinion on the financial statements does not cover the business report.

In connection with our audit of the financial statements, our responsibility is to read the business report and management report and, in doing so, consider whether 1) the business report and management report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated and 2) the business report and management report has been prepared in accordance with the Hungarian Accounting Law and other relevant legal requirements, if any.

Our opinion on the business report and management report should include the information required according to Subsections (2) e) and f) of Section 95/B of the Hungarian Accounting Law and we are required to confirm also whether the information prescribed in Subsections (2) a)-d) and g)-h) of Section 95/B of the Hungarian Accounting Law have been made available.

When fulfilling this responsibility we have considered the following law: Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 on Supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting



format ("ESEF Regulation"), as such prescribing specific requirements for the business report, in relation with forming our opinion on the business report.

In our opinion, the business report and management report of the Company, including the information required according to Subsections (2) e) and f) of Section 95/B of the Hungarian Accounting Law for 2024 is consistent, in all material respects, with the 2024 financial statements of the Company and the relevant requirements of the Hungarian Accounting Law, not including the requirements of Section III/A of the Hungarian Accounting Law relevant to the sustainability statement.

We also confirm that the Company have made available the information required according to Subsections (2) a)-d) and g)-h) of Section 95/B of the Hungarian Accounting Law.

Further to the above, based on the knowledge we have obtained about the Company and its environment in the course of the audit we are required to report whether we have identified any material misstatement in the business report, and if so, the nature of the misstatement in question. We have nothing to report in this regard.

#### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with EU IFRSs and for the preparation in accordance with the supplementary requirements of the Hungarian Accounting Law relevant for financial statements prepared in accordance with EU IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the annual Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Hungarian National Auditing Standards and with applicable laws and regulations in Hungary, including also Regulation (EU) No. 537/2014 will always detect a material misstatement when it exists. Misstatements can arise from fraud

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Hungarian National Auditing Standards and with applicable laws and regulations in Hungary, including also Regulation (EU) No. 537/2014, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter.

## **Report on other legal and regulatory requirements**

### **REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF THE REGULATION ON THE EUROPEAN SINGLE ELECTRONIC FORMAT**

We have undertaken a reasonable assurance engagement on the compliance of the financial statements included in the digital file - identified in our report - prepared by the Company ("financial statements in ESEF format") with the requirements set out in the ESEF Regulation.

Responsibilities of the management and those charged with governance for the financial statements in ESEF format

The Company's management is responsible for preparing the financial statements in ESEF format that comply with the ESEF Regulation. This responsibility includes:

- ▶ the preparation of financial statements in the applicable XHTML format; and
- ▶ the design, implementation and maintenance of internal control relevant to the application of the ESEF Regulation.

Those charged with governance are responsible for overseeing the Company's financial reporting process including compliance with the ESEF Regulation.

#### **Our responsibility and summary of the work performed**

Our responsibility is to express an opinion on whether the financial statements in ESEF format complies, in all material respects, with the requirements of the ESEF Regulation based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Hungarian National Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000).

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with the ESEF Regulation. The nature, timing and extent of procedures selected depend on the auditor's judgment, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. Our reasonable assurance engagement included obtaining an understanding of the Company's internal controls relevant to the application of the requirements of the ESEF Regulation and verifying whether the XHTML format was applied properly.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Opinion**

In our opinion, the financial statements in ESEF format of the Company for the year ended 31 December 2024 included in the digital file - identified in our report - complies, in all material respects, with the requirements of the ESEF Regulation.

#### REPORTING REQUIREMENTS ON CONTENT OF AUDITOR'S REPORT IN COMPLIANCE WITH REGULATION (EU) NO. 537/2014

##### **Appointment and Approval of Auditor**

We were appointed as the statutory auditor of the Company by the Board of Directors on behalf of the General Assembly of Shareholders of the Company on 9 November 2023. Total uninterrupted engagement period, including previous renewals (extension of the period for which we were originally appointed) and reappointments for the statutory auditor, has lasted for 1 year.

##### **Consistency with Additional Report to Audit Committee**

Our audit opinion on the financial statements expressed herein is consistent with the additional report to the audit committee of the Company, which we issued in accordance with Article 11 of the Regulation (EU) No. 537/2014 on the same date as the date of this report.

##### **Non-audit Services**

We declare that no prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 were provided by us to the Company and its controlled undertakings and we remained independent from the Company in conducting the audit.

In addition to statutory audit services and services disclosed in the business report and management report and in the financial statements, no other services were provided by us to the Company and its controlled undertakings.

The engagement partner on the audit resulting in this independent auditor's report is Varga János.

Budapest, 19 March 2025.

Varga János  
engagement partner  
Ernst & Young Kft.  
1132 Budapest, Váci út 20.  
Registration No. 001165

Varga János  
Registered auditor  
Chamber membership No.:

## **This is a translation of the Hungarian Report**

### **Independent Auditors' Report**

To the Shareholders of Rába Járműipari Holding Plc.

#### **Report on the audit of the consolidated financial statements**

##### **Opinion**

We have audited the accompanying 2024 consolidated financial statements of Rába Járműipari Holding Plc. ("the Company") and its subsidiaries (altogether "the Group") included in the accompanying 529900YBK6AH4WL22R69-2024-12-31-HU.zip1 digital file, which comprise the consolidated statement of financial position as at 31 December 2024 - showing a total assets of HUF 56,466,821 thousand - and a consolidated statement of comprehensive income - showing a total comprehensive income for the year of HUF 42,978 thousand -, consolidated statement of changes in equity, consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the financial year then ended in accordance with International Financial Reporting Standards as adopted by the EU ("EU IFRSs") and have been prepared, in all material respects, in accordance with the supplementary requirements of Act C of 2000 on Accounting ("Hungarian Accounting Law") relevant for consolidated financial statements prepared in accordance with EU IFRSs.

##### **Basis for opinion**

We conducted our audit in accordance with Hungarian National Auditing Standards and with applicable laws and regulations in Hungary, including also Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities ("Regulation (EU) No. 537/2014"). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report.

We are independent of the Company in accordance with the applicable ethical requirements according to relevant laws in effect in Hungary and the policy of the Chamber of Hungarian Auditors on the ethical rules and disciplinary proceedings and, concerning matters not regulated by any of these, with the International Ethics Standards Board of Accountants' (IESBA) International Code of Ethics for

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<sup>1</sup> Digital identification of the above referred 529900YBK6AH4WL22R69-2024-12-31-HU.zip digital file, using SHA 256 HASH algorithm is:  
c9f4d93f9f15c5cfd5a957997b352ba7ceb425676fd0c18d012c64ee3083b964

Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the consolidated financial statements section” of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

#### Revenue recognition due to cut off

Revenue for the year ended 31 December 2024 amounted to HUF 57,736,215 thousand. We consider that there is a presumed risk of material misstatement relating to revenue recognition.

Revenue from the sale of goods is recognized when all the five step criteria of IFRS 15, Revenue from contracts with Customers are met.

Revenue from the sale of the products of the Group are recognized upon the transfer of significant risks and rewards of ownership of the goods to the customer. The point where risks and rewards of the goods transferred to the customer is determined by International Commercial Terms (incoterms) agreed in the sales contracts. Due to the multitude and variety of contractual terms across the Group’s markets, we consider proper revenue recognition to be a complex

Our audit procedures included:

We evaluated the appropriateness of the Group’s accounting policies related to revenue recognition.

We obtained an understanding of management’s internal controls over the revenue recognition process.

We analysed the Group’s revenue through entire population of journal entries of sales transactions by use of data analytics approach, including correlations between revenue, accounts receivables, value added tax and cash inflows.

We performed confirmation process on a sample basis for the selected year-end receivable balances.

We performed sales transactions testing procedures based on a representative sampling of the sales transactions to evaluate whether the related revenues and trade receivables are recorded appropriately taking into consideration

area, requiring special audit attention and therefore we consider the revenue recognition as a key audit matter.

the terms and conditions of the transactions, including the shipping terms and whether all five step of criteria of IFRS 15 are met.

We also performed sales transaction testing procedures on transactions that occurred around the balance sheet date, we reviewed supporting documentation to assess that sales and corresponding trade receivables are recorded in the correct period.

We assessed the accuracy of the information presented in the notes to the consolidated financial statements regarding revenue. The Group's disclosures about revenue and revenue recognition policies are included in Note 3, p) Revenue and Note 19 Revenue of the consolidated financial statements.

#### Valuation of CGUs related to PP&E

The subsidiaries of the Group carry out large-scale industrial production activities, which require a significant amount of fixed assets within the group. Fixed assets amount to HUF 31,069,604 thousand, which is 55% of total consolidated assets.

The Group considers the individual legal entities as separate cash generating unit (CGU) when reviewing for impairment of PP&E.

The Group operates primarily in the automotive industry which is currently facing significant downturn and faces several challenges. According to IAS 36.12 in case of a significant adverse changes, that have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated it can be determined that impairment trigger exists (external factor) which requires impairment test at yearend for CGUs.

Our procedures in relation to management's impairment assessment of PP&E included:

We gained understanding of the impairment process and tested the design of the internal controls over the Group's assessment of these assets.

Evaluating management's competence, capabilities and objectivity.

Involving our valuation expert to assist us in evaluating the assumptions and the methodology used by the Group to assess the recoverable amount of the fixed assets allocated to the CGUs to determine its compliance with IAS 36 and consistency of application.

We assessed the assumptions used by the Group in determination of whether impairment indicators exist. The assessment took into consideration current industry trends and the Group expectations for the key prospective information used in the impairment models. We reconciled the future cash flows to strategic plans.

We examined whether the Group has evaluated the impairment assessment

The Group prepared impairment tests based on a discounted cash flow model for the individual CGUs which requires complex calculations and management assumptions which are mainly based on management judgement.

Due to the significance of the PP&E, the economic downturn that is present in the industry and the related estimation uncertainty we consider impairment valuation of CGUs as a key audit matter.

of CGU related to PP&E, and if necessary, recorded impairment.

We assessed the accuracy of the information presented in the notes to the consolidated financial statements regarding valuation of CGU related PP&E in line with IAS36. The Group's disclosures about accounting policy relating to valuation of CGU's related PP&E are included in Note 3 m) ii) Impairment of non-financial assets, and Note 7 Property, plant and equipment.

## **Other matters**

The consolidated financial statements as at 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 27 March 2024.

## **Other information**

Other information consists of the 2024 consolidated business report- and management report of the Group. Management is responsible for the other information, including preparation of the consolidated business report and management report in accordance with the Hungarian Accounting Law and other relevant legal requirements, if any. Our opinion on the consolidated financial statements does not cover the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether 1) the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated and 2) the consolidated business report and management report has been prepared in accordance with the Hungarian Accounting Law and other relevant legal requirements, if any, not including the requirements of Section VI/C of the Hungarian Accounting Law relevant to the consolidated sustainability statement.

Our opinion on the consolidated business report and management report should include the information required according to Subsections (2) e) and f) of Section 95/B of the Hungarian Accounting Law and we are required to confirm also whether the information prescribed in Subsections (2) a)-d) and g)-h) of Section 95/B of the Hungarian Accounting Law have been made available and whether the consolidated business report includes the consolidated sustainability statement according to Section VI/C of the Hungarian Accounting Law.



When fulfilling this responsibility we have considered the following law: Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 on Supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format ("ESEF Regulation"), as such prescribing specific requirements for the consolidated business report and management report, in relation with forming our opinion on the consolidated business report and management report.

In our opinion, the consolidated business report and management of the Group, including the information required according to Subsections (2) e) and f) of Section 95/B of the Hungarian Accounting Law for 2024 is consistent, in all material respects, with the 2024 consolidated financial statements of the Group and the relevant requirements of the Hungarian Accounting Law, not including the requirements of Section VI/C of the Hungarian Accounting Law relevant to the consolidated sustainability statement.

We also confirm that the Group have made available the information required according to Subsections (2) a)-d) and g)-h) of Section 95/B of the Hungarian Accounting Law.

We also confirm that the consolidated business report and management report includes the consolidated sustainability statement according to Section VI/C of the Hungarian Accounting Law.

Based on limited assurance engagement other auditor issues report whether the consolidated sustainability statement is prepared in accordance with the requirements of Section VI/C of the Hungarian Accounting Law relevant to the consolidated sustainability statement.

Further to the above, based on the knowledge we have obtained about the Company and its environment in the course of the audit we are required to report whether we have identified any material misstatement in the business report, and if so, the nature of the misstatement in question. We have nothing to report in this regard.

#### **Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with EU IFRSs and for the preparation in accordance with the supplementary requirements of the Hungarian Accounting Law relevant for consolidated financial statements prepared in accordance with EU IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Hungarian National Auditing Standards and with applicable laws and regulations in Hungary, including also Regulation (EU) No. 537/2014 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Hungarian National Auditing Standards and with applicable laws and regulations in Hungary, including also Regulation (EU) No. 537/2014, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated

financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

## **Report on other legal and regulatory requirements**

### **REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF THE REGULATION ON THE EUROPEAN SINGLE ELECTRONIC FORMAT**

We have undertaken a reasonable assurance engagement on the compliance of the consolidated financial statements included in the digital file - identified in our report - prepared by the Group ("consolidated financial statements in ESEF format") with the requirements set out in the ESEF Regulation.

Responsibilities of the management and those charged with governance for the consolidated financial statements in ESEF format

The Company's management is responsible for preparing the consolidated financial statements in ESEF format that comply with the ESEF Regulation. This responsibility includes:

- the preparation of the consolidated financial statements in the applicable XHTML format;
- the selection and application of appropriate iXBRL tags as required by ESEF Regulation using judgement where necessary; including completeness of use of the relevant tags, appropriateness of creation and anchoring of the extension elements; and

- the design, implementation and maintenance of internal control relevant to the application of the ESEF Regulation.

Those charged with governance are responsible for overseeing the Group's financial reporting process including compliance with the ESEF Regulation.

#### Our responsibility and summary of the work performed

Our responsibility is to express an opinion on whether the consolidated financial statements in ESEF format complies, in all material respects, with the requirements of the ESEF Regulation based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Hungarian National Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000).

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with the ESEF Regulation. The nature, timing and extent of procedures selected depend on the auditor's judgment, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation whether due to fraud or error. Our reasonable assurance engagement included obtaining an understanding of the tagging, obtaining an understanding of the Group's internal controls relevant to the application of the requirements of the ESEF Regulation, verifying whether the XHTML format was applied properly, evaluating the completeness of the Group's tagging of the consolidated financial statements using the XBRL markup language, evaluating the appropriateness of the Group's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified and evaluating the use of anchoring in relation to the extension elements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Opinion

In our opinion, the consolidated financial statements in ESEF format of the Group for the year ended 31 December 2024 included in the digital file -identified in our report - complies, in all material respects, with the requirements of the ESEF Regulation.

#### REPORTING REQUIREMENTS ON CONTENT OF AUDITOR'S REPORT IN COMPLIANCE WITH REGULATION (EU) NO. 537/2014:

##### Appointment and Approval of Auditor

We were appointed as the statutory auditor of the Company by the Board of Directors on behalf of the General Assembly of Shareholders of the Company on 9 November 2023. Total uninterrupted engagement period, including previous renewals (extension of the period for which we were originally appointed) and reappointments for the statutory auditor, has lasted for 1 year.

## Consistency with Additional Report to Audit Committee

Our audit opinion on the consolidated financial statements expressed herein is consistent with the additional report to the audit committee of the Company, which we issued in accordance with Article 11 of the Regulation (EU) No. 537/2014 on the same date as the date of this report.

## Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No. 537/2014 were provided by us to the Company and its controlled undertakings and we remained independent from the Group in conducting the audit.

In addition to statutory audit services and services disclosed in the consolidated business report and management report and in the consolidated financial statements, no other services were provided by us to the Company and its controlled undertakings.

The engagement partner on the audit resulting in this independent auditor's report is Varga János.

Budapest, 19 March 2025.

Varga János  
engagement partner  
Ernst & Young Kft.  
1132 Budapest, Váci út 20.  
Registration No. 001165

Varga János  
Registered auditor  
Chamber membership No.:

## Limited assurance report of the independent auditor on the consolidated sustainability statement

To the shareholders of Rába Járműipari Holding Nyrt.

### Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Rába Járműipari Holding Nyrt. (hereinafter referred to as "the Company") and subsidiaries (hereinafter referred to as "the Group"), included in consolidated sustainability statement section of the consolidated Business report as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability statement for the year ended 31 December, 2024 is not prepared, in all material respects, in accordance with the provisions of Articles 29a of the Directive 2023/34 of the European Parliament and of the Council transposed to the Article of 134/I-K of Act C of 2000 on Accounting in force in Hungary (hereinafter referred to as the Act on Accounting), including the followings:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the consolidated sustainability statement (the "Process") is in accordance with the description set out in disclosure ESRS 2 IRO-1; and
- compliance of the disclosures in EU Taxonomy section within the General Information of the Sustainability Report with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

### Basis for conclusion

We conducted our limited assurance engagement in accordance with the Hungarian National Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)") and with applicable laws and regulations in force in Hungary.

In a case of a limited assurance engagement, both the scope of the procedures for assessing a risk, including an understanding of the internal controls, and the scope of the procedures performed in response to the assessed risks are more limited than in the case of a reasonable assurance engagement.

The procedures performed in a limited assurance engagements are substantially less than those performed in an audit conducted in accordance with Hungarian National Standards on Auditing. As a result, the level of assurance is lower than it would have been had a reasonable assurance engagement been performed.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities in this regard are further described in the section 'Our responsibilities for the limited assurance engagement on the consolidated sustainability statement' of our report.

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## **Our independence and quality management**

We are independent of the Group in accordance with the applicable laws of Hungary, with the Hungarian Chamber of Auditors' Rules on ethics and professional conduct of auditors and on disciplinary process and, as well as with respect to issues not covered by these Rules, with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code) and we also comply with further ethical requirements set out in these.

The firm applies Hungarian National Standard on Quality Management (ISQM 1), Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements – which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Emphasis of matter**

### **Emphasis on the Group Sustainability Strategy**

We draw the attention to the sections "GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies" on page 12 of the Consolidated Sustainability Statement and "MDR-T – Monitoring the effectiveness of policies and measures through targets" on page 26, which disclosures show that the Group is in the process of finalising the decision-making mechanisms for each sustainability-related issue. The Board of Directors will develop a detailed sustainability strategy for the Group in 2025, setting out the directions and numerical targets for sustainability. Our conclusion is not modified in respect of this matter.

### **Emphasis on the double materiality assessment process**

We draw attention to section BP-1 General Basis for Preparing the Sustainability Statement on page 5, GOV-4 Statement of Due Diligence" on page 13 and SBM-2. – Stakeholder Interests and Views" on page 18. This disclosure explains that the Group considers due diligence and double materiality assessment as an ongoing process and applies the requirements of ESRS1 – paragraph 132. In the first three years, if all the necessary information is not available for the upstream and downstream value chain, the entity shall describe the efforts made to obtain the information on the upstream and downstream value chain, the reasons why it was not possible to obtain all the information, and the entity's plans for obtaining the information in the future. Our conclusion is not modified in respect of this matter.

### **Emphasis on significant uncertainties affecting the quantitative metrics and monetary amounts**

We draw attention to section BP-2 Disclosures on specific circumstances" on page 8 of the consolidated sustainability statements that identifies the quantitative metrics that are subject to a high level of measurement uncertainty and discloses information about the sources of measurement uncertainty and the assumptions, approximations and judgements the group has made in measuring these in compliance with the ESRS. Our conclusion is not modified in respect of this matter.

## **Other Matters**

Article 134/L of the Accounting Act requires that a conclusion of limited assurance be given on the fulfilment of the requirement to indicate disclosures in the consolidated sustainability statement prepared in the electronic reporting format



(XHTML) as defined in Commission Delegated Regulation (EU) 2019/815 (ESEF Regulation) according to the relevant ESEF taxonomy, including the disclosures required by Article 8 of Regulation (EU) 2020/852. Given that the ESEF taxonomy for sustainability reporting has not yet been adopted, the Group has not been able to complete the identification of disclosures as presented on page 5 of the consolidated sustainability statement and we are unable to draw a conclusion in this respect.

The comparative information in the sustainability statements prepared in accordance with ESRS has not been subject to reasonable or limited assurance. Our conclusion is not modified in respect of this matter.

### **Responsibilities of Management and Those Charged with Governance for the consolidated sustainability statement**

Management responsible for designing and implementing a process to identify the information reported in the consolidated sustainability statement in accordance with the ESRS and for disclosing this process in general information of the consolidated sustainability statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the consolidated sustainability statement, in accordance with the provision of the Articles 134/I-K of Act C of 2000 on Accounting, including:

- compliance with the ESRS;
- preparing the disclosures in EU Taxonomy section within the General Information of the consolidated sustainability statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the consolidated sustainability statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

### **Inherent limitations in preparing the consolidated sustainability statement**

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

### **Auditor's Responsibilities for the limited assurance engagement on the consolidated sustainability statement**

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the consolidated sustainability statement as a whole.





As part of a limited assurance engagement in accordance with the Hungarian National Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)") we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the consolidated sustainability statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process set out in disclosure ESRS 2 IRO-1.

Our other responsibilities in respect of the consolidated sustainability statement include:

- Understanding of the Group's control environment, processes and information systems that are relevant to the preparation of the consolidated sustainability statement, but not for the purpose of drawing conclusions about the design, implementation or effectiveness of specific controls,
- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the consolidated sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### Summary of work performed

A limited assurance engagement involves performing procedures to obtain evidence about the consolidated sustainability statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the consolidated sustainability statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

Obtained an understanding of the Process by:

- Performed inquiries to understand the sources of the information used by management, which enabled the Group to identify and assess the impacts, risks and opportunities related to its sustainability issues in accordance with ESRS,
- Compared the Process methodology with the ESRS implementation guidance on double materiality assessment,
- Reviewed the Group's internal documentation of its Process,
- We obtained an understanding of the Process, including which of its activities, entities, geographic exposure and depth of its value chain it has carried out a double materiality assessment, how it has identified impacts, risks and opportunities related to sustainability issues, and the criteria it has applied in its impact and financial materiality assessment process, risks and opportunities, how it involved stakeholders in the process, how it decided which sustainability issues to include in the report when determining the criteria for materiality decisions, and examined

the double materiality matrix developed by the Group,

- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in disclosure ESRS 2 IRO-1.

In conducting our limited assurance engagement, with respect to the consolidated sustainability statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its consolidated sustainability statement by obtaining an understanding of the Group's control environment, processes, control activities and information system relevant to the preparation of the consolidated sustainability statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control,
- Evaluated whether the information identified by the Process is included in the consolidated sustainability statement;
- Evaluated whether the structure and the presentation of the consolidated sustainability statement is in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the consolidated sustainability statement;
- Performed substantive assurance procedures on selected information in the consolidated sustainability statement;
- Where applicable, compared disclosures in the consolidated sustainability statement with the corresponding disclosures in the financial statements and other sections of the consolidated business report;
- Examined the documents and reports supporting the relevant measurements,
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- Obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the consolidated sustainability statement;

Budapest, 19 March 2025

Ádám Mosonyi  
Partner, CEO  
RSM Hungary Könyvvizsgáló Zrt.  
1139 Budapest, Váci út 99-105.  
Balance Hall épület 4. emelet  
Licence number: 004443

Ádám Mosonyi  
Registered statutory auditor  
Licence number: 007424  
Sustainability licence number: EF00043

**Note:**

*Our report has been prepared in Hungarian and in English. In all matters of interpretation of information, views or opinions, the Hungarian version of our report takes precedence over the English version.*





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## **ITEM 1 ON AGENDA OF GENERAL MEETING**

### **ASSESSMENT OF THE COMPANY'S OPERATION IN 2024**

- 1.d) Report of the Supervisory Board on the annual financial statements of 2024, on the Business report including the consolidated Sustainability report, on the allocation of the total profit for the reporting year and on the submissions to the General Meeting;**
-



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**Report of the Supervisory Board of RÁBA Automotive Holding Plc.  
to the Annual General Meeting on the annual financial statements of 2024,  
on the Business report including the consolidated Sustainability report, on the allocation of  
the total profit for the reporting year and on the submissions to the General Meeting**

At its regular meetings held quarterly in the financial year, the Supervisory Board – also in its capacity as Audit Committee - discussed and approved the reports of the Board of Directors on the Company's quarterly activity, its financial management as well as on its most significant events.

The Supervisory Board continuously monitored the operation of the internal control organization, had its leader reports and discussed the reports on internal revisions as well as on follow-up revisions. The Supervisory Board set the internal control plan for the year, and in some cases gave instructions with regard to further monitoring considerations and fields to be monitored.

The Supervisory Board and the Audit Committee have been in contact with the Company's financial and sustainability auditors and they jointly discussed the reports of the Board of Directors to be submitted to the Annual General Meeting.

The key financial figures of the Company in the annual reports on financial statements drawn up as per the International Financial Reporting Standards (th HUF):

Description	2023		2024	
	Rába Plc. IFRS	consolidated IFRS	Rába Plc. IFRS	consolidated IFRS
Sales revenue	4 107 700	72 841 899	4 314 762	57 736 215
Operating profit	684 432	1 340 186	788 604	2 190 059
Profit before taxes	751 839	1 953 316	686 358	630 382
Total comprehensive profit for the year	661 198	1 183 767	596 726	42 978
Issued capital	13 473 466	13 473 446	13 473 446	13 473 446
Own equity	17 116 321	23 996 260	17 713 047	24 039 238
Balance sheet total	25 489 779	57 948 202	23 468 528	56 466 821

The Supervisory Board – in agreement with the Audit Committee and taking the auditor reports into consideration - determined that the financial statements give a true and fair view of the Company's operation.

The Supervisory Board proposes to the General Meeting to approve the Company's normal and consolidated financial statements for the FY 2024 drawn up as per IFRS as well as the proposal of the Board of Directors for the allocation of total profit for the reporting year and the Report on Corporate Governance.

The Supervisory Board reviewed the consolidated sustainability report of the Group for 2024 and, taking into account the auditor's report, recommended its adoption by the Board of Directors.

Based on the executive statement of the Company's CEO on the operation of the internal controlling system, the Supervisory Board of the Company has established that an adequate controlling environment has been developed within the Company, management set annual goals in line with the organisational strategy and the processes necessary to implement the goals have been devised, risks threatening the goals have been assessed and managed and the appropriate controls have been put in place for the various processes, ensuring monitoring, supervision and feedback.

The Supervisory Board inspected all the submissions and draft resolutions of the Board of Directors to be proposed to the General Meeting, and it supports them and proposes to the General Meeting to approve them.

Annex: Executive statement on the operation of the internal control system

Győr, March 19, 2025

Dávid Soma Sárközi  
Chairman, On behalf of the Supervisory Board of RÁBA Plc.



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## **Executive Statement on the Operation of the Internal Control System**

I the undersigned, Béla Hetzmann, as the top executive of RÁBA Automotive Holding Plc., (hereinafter: Company) hereby declare that in the context of the internal controlling system of the Company under my management, in 2023, I acted in accordance with the provisions of act CXCVI of 2011 on national assets, in consideration of the principles of responsible management of the national assets.

I furthermore declare that I took the following measures to ensure compliance with the provisions of paragraph 7/J. § of act CXXII of 2009 on the more efficient operation of publicly owned enterprises and with the provisions of the Government Decree No. 339/2019. (XII. 23.) on the internal controlling system of publicly owned companies.

### **Controlling environment**

The Company is committed to business profitability achieved through ethical means, in accordance with corporate guidelines and views long-term, positive business as its key objective. This defines the desirable forms of conduct outlined in the Code of Ethics and Business Conduct. It is important for all employees to become familiar with these expectations and to be able to identify with their internal contents and to enforce these in their everyday work. Both management and employees have been supportive towards the Company's continuous internal control. Management has acted in an exemplary fashion towards employees throughout the year by developing ethical values, nurturing integrity and in terms of enforcing the ethical norms in the course of their everyday work.

For the sake of the fair and transparent business operations, the Company operates an internal employer misconduct reporting system, which aims to ensure the possibility of employer reporting of misconducts in violation of laws, internal procedures and rules representing the Company's ethical principles.

The Company has developed a general procedure for the receipt and review of breaches, irregularities, as well as of claims regarding integrity and corruption risks to thus ensure the effective management of corruption risks within the organisation and to improve the resilience of the organisation in the face of corruption.

The Company has set its strategic objectives, longer-term directions and the order of precedence of its goals in the strategic plan and the short-term goals in its business plans and has developed the organisational structure best suited to achieve our goals and to carry out our tasks in the most efficient manner. The Company has devised a financial plan that ensures that any situation threatening with insolvency can be avoided, i.e. the company's liquidity position remains positive throughout the financial year. All our employees are expected to take an active part in the efficient implementation of the Company's strategic objectives. For this management has provided the employees with clearly formulated information regarding the strategic goals and the operational objectives broken down by organisational units, to ensure they can identify with and pay special attention to such goals and objectives when performing their tasks. In addition to a general overview of the set of goals, employees are informed in writing, complete with performance indicators set regarding the requirements relevant to their individual goals. Employees accepted the individually set goals and tasks, as well as the related responsibility in the course of the annual performance review and understood how the set goals are connected to the fundamental goals of the Company.

Through carefully conceived human resource policy, the management makes continuous and conscious efforts of staff recruitment, to motivate employees to achieve the goals and to identify with the goals of the management, as well as to familiarize and have all employees accept the requirements and to ensure the practical implementation of ethical and financial incentives, as well as to offer a nurturing a positive work atmosphere, fostering good employees relations, developing the



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skills, expertise and competences of employees in a targeted fashion, including where needed school and professional training and upskilling.

The Company's organisational structure nurtures financially viable, efficient and profitable work, facilitates the implementation of interrelated processes and the flow of work-related information and has a logically built reporting route. The corporate management system and internal controlling operating within the Company ensure the transparent, regular, regulated, economical, efficient and profitable use of available funds.

As part of the internal controlling system, the Company records processes in order to ensure that all employees are familiar with the process, as well as with their own role within. The process description, together with the general information, flowcharts and control routes together form the documentation of any given process.

The regulations adopted within the framework of the complex system of rules developed in order to ensure the proper operation of the Company, lay the foundation for the economical, efficient and profitable operation and facilitate the implementation of interrelated processes. The Basic Rules of RÁBA Plc. define the basic tasks necessary to fulfil organisational targets and stipulate the spheres of activities. The Company's Organisational Rules and Procedures define the fundamental *modus operandi* of the Company, as well as its organisational structure, tasks, responsibilities and competences and the rights and obligations of its employees. The personalised tasks, as well as areas of responsibility and authority of the employees are set forth in their job descriptions.

The Company expects its employees, regardless of their position, to be aware of the legal regulations directly affecting their job, as well as of the contents of the internal regulations based on such legal regulations. Employees need to be familiar with the goals and organisational structure of the Company in order to see and understand their role within the Company, as well as the relations of their operating level both in both a vertical (up and down) and a horizontal (with other organisational units) sense.

The Company has drafted its internal regulations required by law and subjects these to regular revisions and updating as necessary.

The management of the Company has established risk tolerance thresholds for the entire Company, and within that in consideration of the specific characteristics of the various processes. The purpose of risk management is to mitigate and reduce to below the tolerance threshold the impacts of risks and/or the probability of their occurrence.

### **Integrated risk management system**

The Company operates an integrated risk management system, within which risks inherent to the operation of the Company and associated with the organisational targets are identified and analysed in a comprehensive manner to be managed in the interest of efficient and profitable operation and identifies the measures necessary to reduce the individual risks to the level below the tolerance threshold, as well as the sphere of organisational units effected by the measure, the method and procedural order of continuous monitoring of such measures.

### **Controlling activities**

Controlling activities, i.e. procedures supplementing the controlling environment (tools, procedures, mechanisms) have been developed by the management in order to manage risks and facilitate the fulfilment of Company goals in terms of operating effectiveness and efficiency, the reliability of financial reporting and compliance with the applicable regulations, requirements and guidelines. Controls are developed by the management subject to the complexity and significance of the process at hand, in consideration of Company goals and of risks identified.





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As part of the controlling activity, the Company ensures that controls are developed for all activities, especially the preparation of decision-making documents, viability, feasibility, efficiency and profitability assessment of decisions and the approval and countersigning of decisions from a compliance point of view, as well as for accounting related to business events.

Through the use of preventive, corrective, directive and detective controls, and by developing the detailed rules of application, the Company facilitates the appropriate operation of controlling activities. The rules are spelt out in various regulating documents (Rules of Operation and Procedures, operating order, internal rules, guidelines, instructions, manuals, roadmaps, process descriptions, control routes, job descriptions, mandatory certificates, reports, sample documents, forms). In view of the characteristics of its operation, the Company endeavours to strike a balance between the preventive and exploratory controlling activities.

By establishing individual (executive, organisational, authority, operational, accounting, approval, access, interruption, nominal and physical) controls and control points to suit the nature of the process at hand, and incorporating them into the process, the Company ensures regular and efficient process operation and the management of risks threatening the operation (prevention, correction, ignoring).

### **Information and communication system**

Information and communication are indispensable for the operation of the Company and its internal controlling system. The primary aim of the internal flow of information within the Company is to ensure that employees are provided with adequate guidance to achieve the goals set by management and to provide reliable feedback to the management of the implementation and the performance of tasks, based on which the necessary corrective measures can be taken.

In the interest of suitable controls, the Company regulates access rights to the various information, ensuring that confidential information, qualified and personal data are protected.

The Company has developed its information and communication system in such a way that it can provide objective information to management, executive bodies and partners. On the other hand, it ensures that through the appropriate communication channels, external information reaches the organisational unit where such information can be utilised. In view of the importance of the reliability of information, internal rules make sure that in an official form only verified information can be circulated within or in justified cases leave the Company, and that confidential information is not released to unauthorised parties.

The access authorisation system of the Company's document management system ensures that only information and data essentially needed to make prudent and justified decisions and actions reach each level.

In accordance with the provisions of the Hungarian and European Union data protection regulations (GDPR), the Data protection and data security regulations of the Company regulate the records kept on the internal data management processes of the Company, as well as the range of personal data managed, the definition of the way of data management, as well as the rights of those involved.

### **Monitoring system**

In the course of monitoring, the Company continuously follows and evaluates key objectives, external/internal characteristics, as well as other elements of the internal controlling system. Within this, the process of implementing the organisational goals at various levels are monitored, ensuring that as a result, structured information on relevant events and activities supporting the decision making can be gathered regularly.



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The monitoring system built and operated by the management encompasses the entirety of the organisation, focusing on the processes that influence the fulfilment of objectives to the greatest extent and is continuously renewed in line with the changing circumstances.

The most important task of the Company's internal controlling is the examination and evaluation of the operation of the internal controlling system in order to increase its effectiveness and efficiency.

Compliance support is an integral part of the Company's internal controlling system. The primary aim of the compliance support function is to ensure that in terms of its external and internal activities, the Company should comply with the provisions of the relevant regulations and the internal rules adopted by the Company, as well as with ethical, moral and social norms.

While the internal controlling of the 3<sup>rd</sup> line of defence carries out ex-post controls, the compliance support within the 2<sup>nd</sup> line of defence means continuous controls in the operation of the organisation by supporting compliance with the regulations, forming a proactive part of the operating activities and making proposals to the management.

Internal controls have not revealed any breaches or shortcomings threatening the operation of the Company and damaging shareholder interests. Measures aimed at eliminating the defaults detailed in the internal controlling reports have been taken or are in progress, the proposals formulated have been implemented.

An appropriate controlling environment has been developed within the Company, management has, in line with the organisational strategy, defined annual goals and the processes necessary to implement those goals have been put in place. Risks threatening the objectives have been assessed and managed, appropriate controls have been developed for the processes and monitoring, review and feedback are ensured.

Győr, March 19, 2025

Béla Hetzmann  
Chairman-CEO

Discussed by the Supervisory Board: 19.03.2025

By its resolution No 8/2025.(III.19.), the Supervisory Board approved the Executive Statement on the Operation of the Internal Controlling System.

Győr, 19 March, 2025

Dávid Soma Sárközi  
Chairman of the Supervisory Board





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**ITEM 1 ON AGENDA OF GENERAL MEETING**  
**ASSESSMENT OF THE COMPANY'S OPERATION IN 2024**

**1.e) Discussion and acceptance of the reports on normal annual financial statements and consolidated annual financial statements drawn up as per the International Financial Reporting Standards (IFRS), approval of the statement of financial position and resolution on the allocation of the total profit for the reporting year; and resolution on the acceptance of the Corporate Governance Report**

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**DRAFT RESOLUTIONS OF THE GENERAL MEETING**

**(Draft) resolution 1/2025.04.11. of the General Meeting:**

The General Meeting approves the report of the Board of Directors on the Company's business operations in the financial year 2024 as set forth in the proposal.

**(Draft) resolution 2/2025.04.11. of the General Meeting:**

Based on the figures in the reports on normal and consolidated annual financial statements drawn up as per the International Financial Reporting Standards, on the review by the Supervisory Board and on the report of the auditor, the General Meeting approves the normal and consolidated statement of financial position of Rába Plc. for 2024 as set forth in the proposal and as follows:

A./ the report on normal annual financial statements drawn up as per the International Financial Reporting Standards, as at December 31, 2023, with a corresponding total of assets and liabilities of HUF 23,468,528 thousand and a total comprehensive profit for the year of HUF 596,726 thousand in the statement of financial position;

B./ the report on consolidated annual financial statements drawn up as per the International Financial Reporting Standards, as at December 31, 2024, with a corresponding total of assets and liabilities of HUF 56,466,82 thousand and a total comprehensive profit for the year of HUF 42,978 thousand in the statement of financial position.

**(Draft) resolution 3/2025.04.11. of the General Meeting:**

Based on the proposal of the Board of Directors, considering the opinion of the Supervisory Board, the General Meeting resolves that the Company does not pay dividend, and places the profit after taxation into profit reserves.

**(Draft) resolution 4/2025.04.11. of the General Meeting:**

With regard to the preliminary approval by the Supervisory Board, the General Meeting approves the Corporate Governance Report as per the proposal.



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**ITEM 2 ON AGENDA OF GENERAL MEETING**  
**THE RENUMERATION REPORT OF THE COMPANY ON THE BUSINESS YEAR 2024**

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## **Remuneration Report of RÁBA Automotive Holding Plc. for the 2024 business year**

RÁBA Automotive Holding Plc. ("RÁBA Plc." or "Company", registered seat: 9027 Győr, Martin u. 1., registration No.: 08-10-001532) had the present Remuneration report drafted in accordance with the provisions of the Remuneration Code and Policy, adopted through the resolution of the general meeting of shareholders of the Company No. 6/2021.09.30. and of the provisions of act LXVII of 2019 on Encouraging long-term shareholder engagement and amendments of further regulations for harmonization purposes (the "Law").

The purpose of the Remuneration Report is to provide a comprehensive overview of all of the remuneration established and paid in 2024 for the executives and officials (members of the Board of Directors, members of the Supervisory Board, CEO, deputy CEO) as defined in the Law and established in the 2024 business year or due on the basis of the results of that year, in accordance with the Remuneration Code and Policy in any form.

The Company prepared its Remuneration Report for the year 2021 for the first time pursuant to the Law, consequently this report does not contain any data and comparison pertaining to the previous four years.

### **Remuneration of Company officials**

Members of the Board of Directors of the Company received only and exclusively the monthly remuneration of the fixed amount determined by the resolution of the general meeting of shareholders no. 1/2021.09.30. Members of the Board of Directors received cost reimbursement for travel, accommodation, communications or meal costs incurred in connection with their position on the board or in the interest of the Company only and exclusively in accordance with the provisions of the Remuneration Code and Policy.

Members of the Supervisory Board of the Company received the monthly remuneration of the fixed amount determined by the resolution of the general meeting of shareholders no. 1/2021.09.30., approved by the resolution of the general meeting of Shareholders. Members of the Supervisory Board received no separate remuneration for their membership in the Audit Committee. Members of the Supervisory Board received no cost reimbursement for travel, accommodation, communications or meal costs incurred in connection with their position on the board or in the interest of the Company.

In 2024, the Company paid the remuneration as detailed in Annex 1 of the Report to Company officials.

### **Remuneration of executives employed by the Company, pursuant to paragraph 208 (1) of the Labour Code**

Executives of the Company as per paragraph 208 (1) of the Labour Code, received no share options or other share-based remuneration.

Performance requirements and bonus targets for 2024 were set for executives of the Company as per paragraph 208 (1) of the Labour Code in accordance with the Remuneration Code and Policy. The actual amount of the bonuses was determined subject to the performance indicators.

Executives were paid cost reimbursement and other benefits in accordance with the provisions of the Remuneration Code and Policy and the provisions of the individual employment contracts.

For termination of employment of an indefinite term, in relation to the notice period and severance pay of executives, the Company acted in accordance with the provisions of act I. of 2012 on the Labour Code, other relevant regulations and of the Company's Remuneration Code and Policy.

In 2024, the Company paid the remuneration as detailed in Annex 1 of the Report to Company executives.



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## **Changes in the performance of the Company and in the remuneration of non-executive employees**

The following chart shows the development of the performance of the Company and of the average remuneration of non-executive employees since the first time the Remuneration report was prepared in 2021 (in full-time equivalent).

<b>Business year</b>	<b>EBITDA as per IFRS (million HUF)</b>	<b>Changes in EBITDA as per IFRS compared to the previous business year</b>	<b>Average head-count of non-executive employees (persons)</b>	<b>Changes in average annual per capita income compared to the previous business year for non-executive employees</b>
2021	871	-	31.6	-
2022	836	96.0%	34.4	98.7%
2023	959	114.9%	63.9	92.1%
2024	1115	116,2%	64,1	99,5%

Implementation of the Remuneration Code and Policy occurred fully in line with its provisions.

The remuneration in 2024 of Company executives and officials was paid in line with the provisions of the adopted Remuneration Code and Policy and its amount and extent, according to the Board of Directors, served the long-term interests and performance of the Company, provided an incentive for efficient operation and contributed to the successful implementation of the Company's business policy, economic and strategic objectives for 2024.

### **Annexes:**

Remuneration of executives and officials (2021-2024)

Győr, March 19, 2025

Béla Hetzmann, Chairman  
On behalf of the Board of Directors of Rába Plc



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## Annex 1

### Remuneration of Company officials and Executives (2021-2024)

The amounts are in HUF

Name	Position	Term		Gross salary				Remuneration				Voluntary pension fund contribution				Bonus			
		beginning	end/termination	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Hetzmann, Béla	Chairman of the Board of Directors	04.12.2020	19.05.2026	-	-	-	-	6 854 667	10 800 000	10 800 000	10 800 000	-	-	-	-	-	-	-	-
	CEO, Rába Plc.	08.05.2021	indefinite	38 809 523	64 619 999	64 619 999	61 499 999	-	-	-	-	400 000	4 800 000	4 800 000	4 800 000	0	7 714 286	12 000 000	0
Lang-Péli, Éva	Member of the Board of Directors	2020.12.04.	19.05.2026	-	-	-	-	5 261 667	8 400 000	8 400 000	8 400 000	-	-	-	-	-	-	-	-
	Deputy CEO, Rába Plc.	15.11.2021	indefinite	3 863 636	34 770 000	46 305 001	46 800 002	-	-	-	-	-	1 540 000	3 456 000	3 648 000	0	750 000	6 600 000	0
	Member of the Supervisory Board, Rába Automotive Components Ltd.	15.11.2021	28.12.2028	-	-	-	-	76 667	600 000	600 000	-	-	-	-	-	-	-	-	-
	Member of the Supervisory Board, Rába Vehicle Ltd.	01.03.2022	13.06.2024	-	-	-	-	-	400 000	480 000	-	-	-	-	-	-	-	-	-
	Member of the Supervisory Board, Re-kard LLC.	01.07.2022	30.06.2027	-	-	-	-	-	300 000	600 000	-	-	-	-	-	-	-	-	-
dr. Csüllög, Nóra	Member of the Board of Directors	04.12.2020	19.05.2026	-	-	-	-	2 905 000*	0*	0*	0*	-	-	-	-	-	-	-	-
Jakab, László	Member of the Board of Directors	30.09.2021	21.04.2023	-	-	-	-	2 123 333	8 400 000	2 590 000	-	-	-	-	-	-	-	-	-
Majoros, Csaba	Member of the Board of Directors	04.12.2020	19.05.2026	-	-	-	-	5 261 667	8 400 000	8 400 000	8 400 000	-	-	-	-	-	-	-	-
Mráz, Dániel Emanuel	Member of the Board of Directors	04.12.2020	19.05.2026	-	-	-	-	5 261 667	8 400 000	8 400 000	8 400 000	-	-	-	-	-	-	-	-
Simon, Attila János	Member of the Board of Directors	22.04.2023	19.05.2026	-	-	-	-	-	-	5 810 000	7 163 333	-	-	-	-	-	-	-	-
Dr. Szász, Károly	Member of the Board of Directors	30.09.2021	19.05.2026	-	-	-	-	2 123 333	8 400 000	8 400 000	8 400 000	-	-	-	-	-	-	-	-
Prof. Dr. Palkovics, László	Chairman of the Supervisory Board	25.01.2024	30.04.2027	-	-	-	-	-	-	7 858 064	7 163 333	-	-	-	-	-	-	-	-
Lepsényi, István	Chairman of the Supervisory Board	04.12.2020	24.01.2023	-	-	-	-	5 261 667	8 400 000	541 936	-	-	-	-	-	-	-	-	-
Dr. Harmath, Zsolt	Member of the Supervisory Board	17.04.2016	30.04.2027	-	-	-	-	3 982 500	6 000 000	6 000 000	5 116 667	-	-	-	-	-	-	-	-
dr. Szabó, Sándor József	Member of the Supervisory Board	04.12.2020	30.04.2027	-	-	-	-	3 982 500	6 000 000	6 000 000	6 000 000	-	-	-	-	-	-	-	-
Antal, Ferenc	Member of the Supervisory Board	08.11.2024	30.04.2027	-	-	-	-	-	-	-	883 333	-	-	-	-	-	-	-	-
Szabó-Szombati, Tibor István	Member of the Board of Directors	08.11.2024	19.05.2026	-	-	-	-	-	-	-	1 236 667	-	-	-	-	-	-	-	-
Sárközi, Dávid Soma	Chairman of the Supervisory Board	08.11.2024	30.04.2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Váradi, Zoltán	CFO, Rába Plc.	18.06.2021	14.11.2021	12 159 090	-	-	-	-	-	-	-	-	-	-	-	0	2 409 091	-	-
	Finance director, Rába Axle Ltd. Member of the Supervisory Board, Rába Automotive Components Ltd.	18.06.2021	14.11.2021	-	-	-	-	196 000	-	-	-	-	-	-	-	-	-	-	-

\* As from 09.09.2021 have given up their remuneration due for position held at Rába Plc



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**ITEM 2 ON AGENDA OF GENERAL MEETING  
THE RENUMERATION REPORT OF THE COMPANY ON THE BUSINESS YEAR 2024**

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**DRAFT RESOLUTION OF THE GENERAL MEETING**

**(Draft) resolution 5/2025.04.11. of the AGM:**

The General Meeting approves the Remuneration report as per the proposal.



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## ITEM 3 ON AGENDA OF GENERAL MEETING

### APPROVAL OF PROPERTY SALE

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#### 1. PREAMBLE

In the early 2000s, in the course of its restructuring process, Rába Plc. decided to relocate its operational plant located near the city centre to its plant at Martin street 1, Győr, H-9027. After the decision the Rába group progressively moved to its current premises. In 2006, Rába Vehicle Ltd. was the last production unit to leave the area in the city centre. The emptied out buildings were demolished to the level of ground with the exception of one building.

The utilisation of the area was started by a resolution of the Board of Directors approved in December 2001. Thereafter the ECE project (Árkád) was accomplished. Following the amendment of the Urban Development Plan of 2004, the Engel project was launched under the name of "Városrét". This project comprised the "Tulipán", the "Amarillisz" and the „Dália” buildings.

For several years, the entire area (Városrét) has appeared in Rába Plc's annually updated strategic plans as a property for sale. Neither the Company nor its Subsidiaries are utilising the area concerned by the sale; thus, the sale of the unit would not affect the operation of the Company group in any way.

For many years, Rába Plc.'s shareholders have been paying particular attention to issues related to investment properties. At every general meeting, the question of these properties had been raised, and shareholders had always urged to sell them.

Rába Plc. has received a specific purchase offer in January 2025, for a property unit under three separate topographical lot numbers in Győr city centre, in the area called Városrét.

In accordance with the Article 13 (m) of the Articles of Association of Rába Plc., consent to the conclusion of contracts beyond the ordinary business activities of the Company that results in the alienation of any property or transfer to a third party of the rights to own or dispose, equalling to or exceeding a value of HUF 400 million falls under the exclusive competence of the General Meeting.

#### 2. DESCRIPTION OF THE PROPERTY TO BE SOLD

At present the property unit to be sold is registered by the Land Office under topographical lot No.: **Győr, urban area, 6394/48** with a size of sqm 26 232, classified as taken out industrial estate and **6394/26** with a size of sqm 2 502, classified as taken out road and **6394/3** with a size of sqm 711, classified as taken out road (with a total size of sqm 29 445).

The property unit for sale is free from encumbrances, and free from claims and lawsuits. Accordingly, the real estate register does not contain any encumbrances with regard to the property unit to be sold.

The property unit for sale is non-utility, partially fenced and partially concreted over, with a building to be demolished, and with two roads as described above. In accordance with the decision of the Board of Directors, the real estates of a total of sqm 29 445 (sqm 26 232 + sqm 2 502 + sqm 711), under topographical lot No. 6394/48, 6394/26 and 6394/3 is kept in the accountancy register among the IFRS investment properties at its cost of a total value of HUF 24.5 million.



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### **3. TERMS AND CONDITIONS OF THE SALE**

In accordance with the Article 13 (m) of the Articles of association of Rába Plc., consent to the conclusion of contracts beyond the ordinary business activities of the Company that results in the alienation of any property or transfer to a third party of the rights to own or dispose, equalling to or exceeding a value of HUF 400 million falls under the exclusive competence of the General Meeting.

#### **Property valuation**

At the request of the Company, the property was appraised by an independent property valuator Grant Thornton Valuation Kft. (Annex 1):

Topographical lot number of the property:	6394/48, 6394/26, 6394/3
Size of plot as per property title deed:	sqm 26 232, sqm 2 502, sqm 711
Closing day of the valuation:	January 24, 2025
Valuation methods used:	Market comparison method

The valuation was prepared by the valutor in accordance with the generally accepted valuation standards recommended by international property valuation organisations. The Recommendation of the National Bank of Hungary No. 18/2022 (XII.1) on "Management of the real estate-related risks of financial institutions" and the PM Decree No. 25/1997 (VIII.1) on "Methodological principles for determining the collateral value of real estate other than arable land", as multiply amended, have been taken into account.

#### **Main parameters of the planned transaction**

The properties with lot numbers 6394/48, 6394/26 and 6394/3 located within the territory of Győr are being collectively put up for sale.

The minimum price per square meter for the properties for sale is uniformly set at net 18 869 HUF/sqm

#### **Encumbrances**

The property unit for sale is free from encumbrances.

#### **Duties**

In connection with the sale of the property, Rába Plc. undertakes the following obligations:

- The transfer of the properties free of encumbrances.

### **4. PROPERTY SALE PROCESS**

#### **Sale by auction**

The properties with lot numbers 6394/48, 6394/26 and 6394/3 are being sold in total through the EAR Electronic Auction System.

1. Depending on the decision of the General Meeting, the Company will enter into an agreement with MNV Zrt. for the implementation of the transaction via EAR
2. The Company will put the property up for auction in accordance with the terms and conditions of auction and at the price decided by the General Meeting.
3. Based on the authorisation granted by the General Meeting, the Company will sign a contract of sale with the highest bidder.

More information on the operation of the EAR system may be found in the Rules of use of EAR (<https://e-arveres.mnv.hu/attachment/0/2f6688c9fc924fe57473f0e5a25acd16b4be6a776b65bf1c62ee57beaf669108b0a190994126b157/EAR+Felhaszn%C3%A1l%C3%A1si+%C3%A9s+adatkezel%C3%A9si+szab%C3%A1lyzata.pdf> ).





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### **Main elements of the auction**

Put-up price: net HUF 972,228,282 (net HUF/sqm ~33,018)

Mode of sale, entitlement to enter into contract of sale: The highest bidder wins the right to enter into a contract for the purchase of the asset being auctioned on EAR.

Auction bond: net HUF 48,600,000(at least 5% of the gross reserve price)

Bid increment: HUF 2,000,000

Procedure to be followed in the event of a failed action

The auction is considered to have failed if no valid bids were submitted, or if the contract is not signed by the specified time limit, or if MNV Zrt (based on a decision by the Company) announces that the auction has failed for other reasons.

## **5. EFFECT OF THE PROPERTY SALE ON THE COMPANY**

### **Strategic impact**

The property to be sold is kept among the real estates for sale purposes and it is not necessary for the operation of the Company. The current function of the property is not among the Company's core activities. After completion, the transaction will provide the Company with additional profit and cash for the investments supporting the objectives of Rába Modernization Programme.

### **Financial impact:**

Other revenue:	HUF 972.6 million
Book value (other expenses)	HUF 24.5 million
Cost of sale of tangible assets (EAR):	HUF 9.4 million
<b>Profit impact:</b>	<b>HUF 938.3 million</b>
<b>C/F impact:</b>	<b>HUF 962.8 million</b>

## **6. ANNEXES**

Annex 1      Report on property valuation



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### **ITEM 3 ON AGENDA OF GENERAL MEETING APPROVAL OF PROPERTY SALE**

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Based on the Article 24.1 (b) of the Articles of Association, as well as on the Articles 6.1 and 6.3 of the Supervisory Board's Rules of Procedure, the Supervisory Board has reviewed the proposals of the Board of Directors and, in its resolution 10/2025.(III.19.) recommends to the General Meeting to approve it.

#### **DRAFT RESOLUTION OF THE GENERAL MEETING**

##### **(Draft) resolution 6/2025.04.11. of the GM:**

In accordance with the Article 13 (m) of the Articles of Association of the Company, the General Meeting authorizes the Company to sell the property unit described in the submission and under the conditions as defined in the submission, at a price of at least netto HUF/sqm 33,018 and at a price of at least net HUF 972,228,282 through an auction conducted via the Electronic Auction System operated by MNV Zrt. and to sign a contract of sale with the bidder offering the highest purchase price.



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**ITEM 4 ON AGENDA OF GENERAL MEETING  
AMENDMENT OF THE ARTICLES OF ASSOCIATION AND  
SETTING THE CONSOLIDATED MEMORANDUM THEREOF**

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According to Article 13 (a) of the Articles of Association, the amendment of the Articles of Association falls under the exclusive competence of the General Meeting.

The reasons for the amendment of the Articles of Association are as follows:

- Pursuant to Section (3) of Paragraph 158/A. of the Act C. of 2000 on Accounting, simultaneously with the approval of the Company's annual report for the previous year by the General Meeting, the Company's General Meeting has to elect an auditor qualified to audit the sustainability report of the Company to be drawn up by the Company in accordance with its sustainability obligations
- Pursuant to Act C. of 2000 on Accounting, the Company has to draw up yearly a consolidated sustainability report, which report is to be involved in the business report within a clearly identified separate chapter.
- Pursuant to Commission Delegated Regulation (EU) 2023/137 of the European Parliament and of the Council (that is the NACE Regulation), the statistical classification of economic activities, i.e. the NACE has been amended. Therefore the Articles of Association has to be updated accordingly.
- Pursuant to the General Terms of Service of the Budapest Stock Exchange Plc, no validity restrictions other than provided by the law may be determined for the validity period of authorization granted to the proxy for representation at the general meeting



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# ITEM 4 ON AGENDA OF GENERAL MEETING

## AMENDMENT OF THE ARTICLES OF ASSOCIATION AND

### SETTING THE CONSOLIDATED MEMORANDUM THEREOF

The following Articles of the Company's Articles of Association dated 25<sup>th</sup> October, 2022 shall be amended as follows:

- the wording to be deleted is crossed and the new wording is shown with correction mark -

<b>5. Activities of the Company:</b>	
<u>As per NACE'08 (to be deleted)</u>	<u>As per NACE'25 (new)</u>
Organisation of building construction projects	68.12 <u>Renting and operating of own or leased real estates</u>
<del>Passenger vehicle and light vehicle sales</del> <del>Other vehicle sales</del>	46.18 <u>Agents specialised in the sale of other particular products</u> 46.71 <u>Wholesale of motor vehicles</u> 47.81 <u>Retail of motor vehicles</u> 47.92 <u>Specialized retail sale by non-store commission agents,</u>
<del>Wholesale of automotive components</del>	46.72 <u>Wholesale of parts and accessories for motor vehicles</u>
<del>Retail of automotive components</del>	48.82 <u>Retail of parts and accessories for motor vehicles</u>
<del>Wholesale of electronic and communications equipment and components</del>	46.50 <u>Wholesale of electronic and communications equipment and components</u>
<del>Wholesale of other non-classified machinery and equipment</del>	46.64 <u>Wholesale of other non-classified machinery and equipment</u>
<del>Wholesale of waste materials</del>	46.87 <u>Wholesale of waste materials</u>
<del>Wholesale of miscellaneous products</del>	46.90 <u>Wholesale of miscellaneous products</u>
<del>Publishing of magazines and periodicals</del>	58.13 <u>Publishing of magazines and periodicals</u>
<del>Computer programming</del>	62.10 <u>Computer programming</u>
<del>IT consulting</del>	62.20 <u>Information technology consulting services and operation of computer technology assets and systems</u>
<del>Other IT services</del>	62.90 <u>Other IT services</u>
<del>Other non-classified information services</del>	63.92 <u>Other non-classified information services</u>
<del>Asset management (holding)</del>	64.21 <u>Asset management (holding)</u>
<del>Financial leasing</del>	64.91 <u>Financial leasing</u>
<del>Other lending activities</del>	64.92 <u>Other lending activities</u>
<del>Letting and management of owned and leased properties</del>	68.20 <u>Renting and operating of own or leased real estate</u>
<del>Accounting, auditing and tax advisory activities (except audit activities)</del>	69.20 <u>Accounting, auditing and tax advisory activities (except audit activities)</u>
<b>Üzletvezetés – főtevékenység</b>	<b>70.10 <u>Business management – core activity</u></b>
<del>PR, communications</del>	73.30 <u>PR, communications</u>



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<del>Business administration, other management consulting</del>	70.20 <a href="#">Business administration, other management consulting</a>
<del>Architectural activities</del>	71.11 <a href="#">Architectural activities</a>
<del>Engineering activities, technical consulting</del>	71.12 <a href="#">Engineering activities, technical consulting</a>
<del>Technical assessment, analysis</del>	71.20 <a href="#">Technical assessment, analysis</a>
<del>Other scientific, engineering research, development</del>	72.10 <a href="#">Other scientific, engineering research, development</a>
<del>Other non-classified professional, scientific, engineering activities</del>	74.99 <a href="#">Other non-classified professional, scientific, engineering activities</a>
<del>Letting of intangible assets</del>	77.40 <a href="#">Letting of intangible assets except copyrighted works</a>
<del>Organisation of conferences, trade shows</del>	82.30 <a href="#">Organisation of conferences, trade shows</a>
<del>Other non-classified auxiliary business services</del>	46.19 <a href="#">Agents specialised in the wholesale of miscellaneous products</a> 82.40 <a href="#">Other non-classified auxiliary business services</a>
<del>Vocational secondary education</del>	85.32 <a href="#">Vocational secondary education</a>
<del>Other non-classified education</del>	85.59 <a href="#">Máshova nem sorolt egyéb oktatás</a> <a href="#">Other non-classified education</a>
<del>Education supplementary activities</del>	85.69 <a href="#">Non-classified education supplementary activities</a>
<del>Library, archiving activities</del>	91.11 <a href="#">Library activities</a>
Within the financial and other lending activities the company engages exclusively in group financing among the company and its subsidiaries, not subject to a licence pursuant to Section (2) of Paragraph 5 of Act CCXXXVII of 2013 on lending institutions and financial enterprises.	

## GENERAL MEETING, VOTES

### 13. General Meeting of Shareholders

The supreme organ of the Company is the General Meeting of Shareholders, composed of the totality of the shareholders. The General Meeting of Shareholders has the right to decide matters under the competence of the Board of Directors, including those of the Chief Executive Officer, as well. The following matters fall under the exclusive competence of the General Meeting of Shareholders:

(g) election, recall of the chairman and the members of the Board of Directors, the chairman and the members of the Supervisory Board and of the Audit Committee, the permanent auditor and [the auditor qualified to audit the sustainability report](#), the establishment of their remuneration; and setting the main terms of the engagement with the [permanent](#) auditor, and decision on filing a claim for damages against the member, the chief executive officer, the member of the Supervisory Board or the auditor of the Company;

(h) approval of the annual financial statements drawn up as per the Act on Accounting and the decision of the division of the after-tax profits; and adoption of the consolidated annual financial statements, [and the approval of the consolidated sustainability report provided that the decision thereon is referred to the competence of the General Meeting by the applicable law](#);



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#### 14. Annual General Meeting of Shareholders

The Annual General Meeting is held once a year, by the deadline stipulated by the relevant legal regulation.

The agenda of the Annual General Meeting shall contain at least the following matters:

- (a) report of the Board of Directors about the Company's activity during the previous business year;
- (b) Company's financial statements drawn up as per the Act on Accounting, the consolidated sustainability report, proposal of the Board of Directors for the approval of the consolidated and the individual balance sheet and motion for the allocation of the net results, proposal for the corporate governance report as well as the declaration on operating of internal control system;
- (c) written report of the Supervisory Board and the auditor about annual financial reports, financial statements drawn up as per the Act on Accounting, about the allocation of the net results and about the proposal for the dividend; and the assurance opinion of the qualified sustainability- auditor on the Sustainability Report
- (d) discussion of the financial statements drawn up as per the Act on Accounting (balance sheet, profit and loss account), establishment of the balance sheet, resolution about the allocation of the net results, as well as decision about the corporate governance report;
- (e) submission of the Remuneration report for an advisory vote;
- (f) election of the auditor and the auditor qualified to audit the sustainability report in the event that his mandate expires on the date of the Annual General Meeting.

#### 16. Convocation of the General Meeting of Shareholders

**16.1.** The invitation to the General Meeting of Shareholders shall be published in the manner established for the announcements of the Company, at least 30 days prior to the planned General Meeting of Shareholders – excepting the cases referred to under Section 15.3 hereof – by the Board of Directors or by another authorised person designated in accordance with the provisions of Section 15, in the manner described under Section 36. The members of the Board of Directors and the Supervisory Board, as well as the permanent Auditor and the auditor qualified to audit the sustainability report of the Company shall be informed about the convocation of the General Meeting of Shareholders in consideration of the above deadline, in a separate invitation, as well.

#### 17. Quorum, voting at the General Meeting of Shareholders

**17.1.** The General Meeting of Shareholders has a quorum if shareholders representing more than half of the voting shares are present either in person or through their authorised representatives (including the proxy holders, as well). Authorisation for such representation shall be included into an authentic deed or a private document of full probative force and shall be handed over to the representative of the Board of Directors at the place and time indicated in the invitation to the General Meeting of Shareholders, but during the registration preceding the General Meeting of Shareholders at the latest.

The formal requirements for the withdrawal of the authorisation are the same as those for granting the authorisation.

Any member of the Board of Directors or any member of the Supervisory Board is allowed to represent the shareholder at the GM.

The proxy holder may not be the auditor of the Company.



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The authorisation for representation is valid until its withdrawal. for one General Meeting of Shareholders and for the General Meeting of Shareholders convened repeatedly if the original General Meeting of Shareholders failed to have a quorum.

## **21. Competence and tasks of the Board of Directors**

**21.1.** The Board of Directors is the executive organ of the Company. The Board of Directors shall

- (a) represent the Company with regard to third parties, in courts and before authorities, and may grant representation and signing right to the employees of the Company for a certain group of the Company's matters;
- (b) establish and manage the working organisation of the Company, within which it shall establish the Organisational Rules and Procedures of the Company;
- (c) manage the operation of the Company and define its business and strategic plan;
- (d) provide for the preparation of the Company's balance sheet and profit and loss statement and propose the distribution of the profit; further, the Board of Directors provide for the preparation and approval of the Company's consolidated sustainability report, and submit the same to the General Meeting;

## **24.5. The Audit Committee**

- (a) From among the independent members of the Supervisory Board the General Meeting of Shareholders shall elect a three-member Audit Committee. If the Supervisory Board has three members, and all are independent pursuant to the law, they are automatically elected by the General Meeting of Shareholders to become members of the Audit Committee. The chairman of the Audit Committee is elected by the members from among themselves. The termination of the membership in the Audit Committee is governed by the rules for the termination of the membership in the Supervisory Board. The membership in the Audit Committee is also terminated if the membership in the Supervisory Board is terminated.
- (b) The competence of the Audit Committee shall include the following
  - formulate its position on the financial statements drawn up as per the Act on Accounting;
  - monitor the audit process of the financial statements drawn up as per the Act on Accounting;
  - proposal to the General Meeting of Shareholders for the person and remuneration of the auditor, upon approval of the Supervisory Board;
  - involvement in the selection of the auditor, preparation of the agreement to be concluded with the auditor;
  - monitor the enforcement of the professional requirements and conflicts of interest regulations applicable with the auditor, performance of the tasks related to the cooperation with the auditor, monitoring of services provided to the Company by the auditor in addition to the audit of the financial statements drawn up as per the Act on Accounting and proposal to the Board of Directors for measures to be taken if it is necessary;
  - evaluation of the operation of the financial reporting system and proposal for the necessary actions and
  - support of the work of the Board of Directors and of the Supervisory Board in the interest of the appropriate control of the financial reporting system;
  - monitor the effectiveness of the internal controlling and risk management system.

Furthermore, the special provisions for public-interest entities set forth by the Act CXX of 2001, the Capital Market Act, shall be applicable to the Audit Committee as well, pursant to which the Audit Committee shall:



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- monitor the effectiveness of the Company's internal control and risk management systems and the effectiveness of the effects of its internal control on the financial reporting and the sustainability reporting of the Company, furthermore, the process of financial and sustainability reporting, including the electronic reporting process and the process carried out by the Company to identify the information reported in accordance with the sustainability reporting standards and submit recommendations if necessary;
- monitor the statutory audit of the annual and consolidated financial statements and the activity carried out for the assurance of the annual and consolidated sustainability reporting,
- review and monitor the independency of the statutory auditors or the audit firms (including the independency of the auditor or auditor firm elected to provide assurance regarding the sustainability reporting)
- inform the Company's General Assembly of the outcome of the statutory audit and, that of the assurance of sustainability reporting

**AUDITOR**  
**QUALIFIED SUSTAINABILITY AUDITOR**

**25. The Permanent Auditor**

The General Meeting of Shareholders shall elect for a period no longer than three (3) years an auditor listed in the registry of auditors ("permanent auditor") for the review of the Company's annual reports (financial statements). Following his election, the auditor is contracted by the management of the Company, in accordance with the general rules of the Civil Code. The auditor cannot be a founding member, shareholder, Board member or Supervisory Board member of the Company, or the close relative of any of the above (Section 2 of Paragraph 8:1 of the Civil Code), or an employee of the Company for a period of three years after the termination of such office.

**26. Competence and tasks of the permanent auditor**

**26.1.** The permanent auditor shall inspect all reports submitted to the General Meeting of Shareholders, especially the annual balance sheet and profit and loss statement, to ascertain that they contain true figures, comply with the regulations and he shall report on his findings. Without the auditor's report no valid resolution on the accounts can be adopted.

**26.2.** The Board of Directors and the Supervisory Board can request at any time that the auditor conduct a separate review and to issue a report thereupon.

**26.3.** In order to perform his task, the permanent auditor may inquire about the operation of the Company, to which end he may request information from the employees of the Company, may inspect the petty cash of the Company, as well as its portfolio of securities and contracts, bank accounts and other documents, shall attend the General Meeting of Shareholders and may participate in the meetings of the Supervisory Board.

**26.4.** The permanent auditor shall inform the Supervisory Board and request the convocation of the General Meeting of Shareholders if he learns that a substantial decline in the assets of the Company is threatening and/or if he learns about a fact suggesting the liability of any managing executive of the Company.

Furthermore, the particular provisions for the specific requirements of statutory audit of public-interest entities set forth by the Regulation EU No. 537/2014 shall be applicable to the permanent





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Auditor as well.

**26.5. The Qualified Sustainability Auditor**

The General Meeting of Shareholders shall elect for a period no longer than three (3) years an auditor qualified to audit sustainability reports ("sustainability auditor") for the review of the Company's consolidated sustainability reporting.

The auditor same as or different from the auditor assigned to audit the annual report can be elected for the audit of the sustainability report too.

The sustainability auditor cannot be a founding member, shareholder, Board member or Supervisory Board member of the Company, or the close relative of any of the above (Section 2 of Paragraph 8:1 of the Civil Code), or an employee of the Company for a period of three years after the termination of such office.

Following his election, the sustainability auditor is contracted by the management of the Company, in accordance with the general rules of the Civil Code.

**26.6.** The main duty of the qualified sustainability auditor is to audit the Company's consolidated sustainability report involved in the Company's business report within a clearly identified separate chapter in accordance with the prevailing sustainability reporting standards.



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**ITEM 4 ON AGENDA OF GENERAL MEETING  
AMENDMENT OF THE ARTICLES OF ASSOCIATION AND  
SETTING THE CONSOLIDATED MEMORANDUM THEREOF**

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Based on the article 24.1 (b) of the Articles of Association, as well as on the articles 6.1 and 6.3 of the Supervisory Board's Rules of Procedure, the Supervisory Board has reviewed the proposals of the Board of Directors and, in its resolution 12/2025.(III.19.) recommends to the General Meeting to approve it.

**DRAFT RESOLUTIONS OF THE GENERAL MEETING**

**(Draft) Resolution 7/2025.04.11. of the GM:**

In accordance with the proposal, the General Meeting approves the amendment of the Articles of Association and requests the CEO of the Company to set the consolidated memorandum and file it to the court of registry.



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## **ITEM 5 OF THE AGENDA OF THE GENERAL MEETING**

### **AUTHORISATION OF THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL**

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Pursuant to Section 3:294 (1) of the Civil Code, the General Meeting of the Company may authorise the Board of Directors to increase the share capital. According to the Article 3:294 § (1) of the Civil Code and Article 13 (b) of the Articles of Association of the Company, the decision to authorise the Board of Directors to increase the share capital is the sole responsibility of the General Meeting of the Company.

The primary purpose of the capital increase is to finance new research and development (R&D) projects and related investments that fit into the Rába Group's portfolio.

In case the Board of Directors is authorised to increase the share capital, the Board of Directors may decide to increase the share capital of the Company in accordance with the following framework:

#### The method of capital increase

The Company's share capital increase may take place through a public offering of dematerialized ordinary shares with a nominal value of HUF 1,000 (one thousand forints) each, providing the same rights as the previously issued ordinary shares, in exchange for a cash contribution. The issuance value shall be at least HUF 1,700,000,000 (one billion seven hundred million forints) and, in the event of oversubscription acceptance, up to a maximum of HUF 3,100,000,000 (three billion one hundred million forints). The method of capital increase: the issuance shall be carried out within the framework of a public offering without a prospectus in accordance with Article 1(4) of the European Parliament and Council Regulation (EU) 2017/1129 of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.

Given the public nature of the capital increase, the Board of Directors is not authorized to decide on the restriction or exclusion of pre-emptive subscription rights. The exercise of pre-emptive subscription rights shall be carried out in accordance with the applicable legal provisions and section 11.1 of the Company's Articles of Association.

The Board of Directors is obliged to list the newly issued ordinary shares on the Budapest Stock Exchange.

#### The amount of the capital increase

The share capital may be increased by a minimum amount of HUF 1,700,000,000, i.e. one billion seven hundred million HUF, and (in case of acceptance of an oversubscription) by a maximum amount of HUF 3,100,000,000, i.e. three billion one hundred million HUF.

#### Duration available for the capital increase

The Board of Directors, based on the authorization granted by the General Meeting, is entitled to decide on the capital increase within the period from the date of the General Meeting's decision on the authorization until December 31, 2025.

Pursuant to Section 3:294 (2) of the Civil Code, if the Board of Directors is authorized to increase the share capital, it shall decide on matters related to the capital increase that would otherwise fall within the competence of the General Meeting according to the Civil Code or the Company's Articles of Association, including amendments to the Articles of Association related to the capital increase.



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## **AGENDA ITEM 5 OF THE GENERAL MEETING**

### **AUTHORISATION OF THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL**

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The Supervisory Board has examined the proposal of the Board of Directors in accordance with Article 24.1 (b) of the Articles of Association and Articles 6.1 and 6.3 of the Supervisory Board's Rules of Procedure and proposes its adoption to the General Meeting in its resolution No. 13/2025. (III.19.).

### **DRAFT RESOLUTION OF THE GENERAL MEETING**

#### **(Draft) resolution 8/2025.04.11. of the AGM:**

The General Meeting, based on Section 3:294 (1) of the Civil Code and Section 13(b) of the Company's Articles of Association, authorizes the Company's Board of Directors to increase the Company's share capital on a one-time basis under the following conditions and framework:

Method of Capital Increase: The increase of the Company's share capital may take place through a public offering of dematerialized ordinary shares with a nominal value of HUF 1,000 (one thousand forints) each, providing the same rights as the previously issued ordinary shares, in exchange for a cash contribution. The issuance value shall be at least HUF 1,700,000,000 (one billion seven hundred million forints) and, in the event of oversubscription acceptance, up to a maximum of HUF 3,100,000,000 (three billion one hundred million forints). The capital increase shall be carried out within the framework of a public offering without a prospectus in accordance with Article 1(4) of the European Parliament and Council Regulation (EU) 2017/1129 of 14 June 2017, concerning the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC.

Given the public nature of the capital increase, the Board of Directors is not authorized to decide on the restriction or exclusion of pre-emptive subscription rights. The exercise of pre-emptive subscription rights shall be carried out in accordance with the applicable legal provisions and Section 11.1 of the Company's Articles of Association.

The Board of Directors is obliged to list the newly issued ordinary shares on the Budapest Stock Exchange.

Amount of Capital Increase: The share capital increase shall be at least HUF 1,700,000,000 (one billion seven hundred million forints) and, in the event of oversubscription acceptance, up to a maximum of HUF 3,100,000,000 (three billion one hundred million forints).

Duration Available for the Capital Increase: The Board of Directors, based on this authorization from the General Meeting, is entitled to decide on the capital increase until December 31, 2025.

Based on the authorization for the capital increase, the Board of Directors shall decide on matters related to the capital increase that would otherwise fall within the competence of the General Meeting according to the Civil Code or the Company's Articles of Association, including amendments to the Articles of Association related to the capital increase.



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## **ITEM 6 ON AGENDA OF GENERAL MEETING**

### **ELECTION OF THE QUALIFIED SUSTAINABILITY AUDITOR FOR THE AUDIT OF THE CONSOLIDATED SUSTAINABILITY REPORT AND SETTING ITS REMUNERATION**

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Pursuant to Section 158/A (3) of Act C of 2000 on Accounting, the Company's General Meeting is obliged to select a certified auditor with a sustainability qualification to fulfil the obligations related to the Sustainability Report no later than upon the adoption of the annual report of the previous business year by the General Meeting.

In its resolution No. 14/2025.(III.19.) the Audit Committee, with the consent of the Supervisory Board and based on the proposal of the Board of Directors, evaluated the received offers and prepared its recommendation and selection proposal for the audit engagement.



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### **The recommendation and proposal for the sustainability audit engagement made by Rába Plc's Audit Committee to the General Meeting of RÁBA Plc.**

The Company's management has issued a closed tender for the audit of the consolidated sustainability report for the financial years 2025 and 2026. An evaluable offer was received from RSM Hungary Könyvvizsgáló Zrt.

In agreement with the Supervisory Board and on the basis of the proposal of the Board of Directors, Rába Plc's Audit Committee evaluated the offer received from the auditor and prepared its recommendation and proposal for the audit engagement. Since only one evaluable offer was received, no comparison was possible.

#### **The bidder's bid prices**

figures in HUF (VAT exclusive)

<b>RSM Hungary Könyvvizsgáló Zrt.</b>	<b>Annual Engagement Fee</b>
FY 2025	15 000 000
FY 2026	16 000 000

#### **Proposal**

The Audit Committee proposes to the General Meeting to appoint RSM Hungary Könyvvizsgáló Zrt. as auditor for the audit of the company's consolidated sustainability report, for the period from the annual general meeting closing the FY 2024 and ending with the annual general meeting closing the FY 2026, until April 30, 2027, the latest. For the audit of the company's consolidated sustainability report an auditor fee of HUF 15 million + VAT / for 2025 and an auditor fee of HUF 16 million + VAT / for 2026 is to be paid.



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## **ITEM 6 ON AGENDA OF GENERAL MEETING**

### **ELECTION OF THE QUALIFIED SUSTAINABILITY AUDITOR FOR THE AUDIT OF THE CONSOLIDATED SUSTAINABILITY REPORT AND SETTING ITS REMUNERATION**

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Based on the Article 24.1 (b) of the Articles of Association, as well as on the Articles 6.1 and 6.3 of the Supervisory Board's Rules of Procedure, the Supervisory Board has reviewed the proposals of the Board of Directors and, in its resolution 14/2025.(III.19.) recommends to the General Meeting to approve it.

### **DRAFT RESOLUTION OF THE GENERAL MEETING**

#### **(Draft) resolution 9/2025.04.11. of the GM:**

The General Meeting appoints RSM Hungary Könyvvizsgáló Zrt. as auditor for the audit of the company's sustainability report, for the period from the annual general meeting closing the FY 2024 and ending with the annual general meeting closing the FY 2026, until April 30, 2027, the latest. Mr. Ádám Mosonyi (registered number: 007424) is the auditor in charge on behalf of the appointed company. The General Meeting authorises the Chairman-CEO of the company to execute a contract with the appointed auditor for the audit of the company's consolidated sustainability report at an auditor fee of HUF 15 million + VAT / for 2025 and an auditor fee of HUF 16 million + VAT / for 2026.



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**ITEM 7 ON AGENDA OF GENERAL MEETING  
MISCELLANEOUS**

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## **Number of voting rights at RÁBA Automotive Holding Plc. at the date of the convocation of the General Meeting to be held on April 11, 2025, on March 11, 2025**

RÁBA Automotive Holding Plc. informs the participants of capital markets pursuant to the provisions of Paragraph a) of Subsection (3) of Section 3:272 of Act V of 2013 on the Civil Code about the number of shares and voting rights, as well as about the amount of the Company's share capital at the date of the convocation of the General Meeting.

### **Composition of the Company's share capital:**

<b>Series of shares</b>	<b>Nominal value (HUF/share)</b>	<b>Number of shares issued</b>	<b>Total nominal value (HUF)</b>
	1.000	13,473,446	13,473,446,000
Size of equity		13,473,446	13,473,446,000

### **Number of voting rights attached to the shares (11.03.2025):**

<b>Share series</b>	<b>Number of shares is- sued</b>	<b>Number of voting shares</b>	<b>Voting right per share</b>	<b>Total num- ber of voting rights</b>	<b>Number of treasury shares</b>
	13,473,446	13,473,446	1	13,473,446	120,681
Total	13,473,446	13,473,446	1	13,473,446	120,681

Győr, March 20, 2025

RÁBA Automotive Holding Plc.