



SECOND QUARTER 2020 FINANCIAL REPORT

Extraordinary measures keeping EBITDA margin and indebtedness stable in peak of COVID crisis

Budapest, 6 August 2020 - WABERER'S INTERNATIONAL Nyrt. today reports its financial results for the three months ended 30 June 2020.

Highlights Q2 2020

- Revenue decreased by 33.1% to EUR 115.5 million in the second quarter of 2020 as a result of COVID effects and the reduction in the size of the trucking fleet in the International Transportation Segment (ITS), partially offset by the growth through successful client acquisitions in the Regional Contract Logistics segment (RCL)
- Recurring EBITDA decreased by 27.5% year-on-year to EUR 8.7 million due to the fall in revenue while EBITDA margin improved by 0.6 percentage points to 7.5% as a result of extraordinary measures leading to significant cost savings
- Recurring EBIT remained stable at EUR -5.9 million despite the crisis-led fall in revenue and EBITDA
- Recurring net income decreased to EUR -14.6 million as a result of lower EBIT and non-cash FX effects of EUR 5.8 million¹
- Net financial indebtedness decreased by EUR 10.3 million in the second quarter, with net leverage ratio remaining stable at 3.2x EBITDA
- The cash position improved by EUR 7.8 million in the second quarter due to savings as a result of extraordinary measures and the debt moratorium regulation introduced in Hungary
- Management expects that
 - The progress of returning to pre-crisis volume levels in the European long-haul transportation market is expected to remain slow
 - Although the decrease in volume in the domestic logistics market was not as strong as in the case of the European transportation market, demand is expected to remain subdued in next quarters
 - In this environment, Waberer's will continue to focus on profitability, cash generation and deleveraging by changing its business model, reducing its fleet size in ITS and focusing on gaining market share in RCL

Key figures² (EUR mn unless otherwise stated)

	Q2 2020	Q2 2019	Better (worse)	6M 2020	6M 2019	Better (worse)
Revenue	115.5	172.7	(33.1%)	289.3	354.9	(18.5%)
EBITDA (recurring)	8.7	12.0	(27.5%)	24.1	27.2	(11.4%)
EBIT (recurring)	(5.9)	(5.9)	0.4%	(5.8)	(8.6)	33.0%
Net income (recurring)	(14.6)	(9.1)	-	(17.2)	(13.6)	-
EBITDA margin (recurring)	7.5%	6.9%	0.6 pp	8.3%	7.7%	0.7 pp
EBIT margin (recurring)	(5.1%)	(3.4%)	(1.7 pp)	(2.0%)	(2.4%)	0.4 pp
Net income margin (recurring)	(12.7%)	(5.3%)	(7.4 pp)	(5.9%)	(3.8%)	(2.1 pp)

¹ For more details on the non-cash FX charge, please refer to page 4.

² For the definitions of non-IFRS measures, please refer to the Glossary on page 15. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

This report may contain forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore should not have undue reliance placed upon them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors are described in, among other things, the Annual Report 2019 dated 30 April 2020, which is available on our website for investors at https://www.waberers.com/files/document/document/1034/WABERERS%20ANNUAL%20REPORT%202019_ENG.PDF.





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Barna Erdélyi, CEO of WABERER'S INTERNATIONAL Nyrt. commented: "The second quarter of 2020 was undoubtedly one of the most challenging ones in the history of the Group. As a result of the pandemic-driven restrictive measures throughout Europe, demand for road transportation fell by 30-40% at the end of first quarter of 2020. April and most of May were also characterised by this adverse environment, and although there has been some improvement, volumes are far from pre-crisis levels.

Management introduced extraordinary measures that involved across-the-board cost cutting initiatives and the halting of more than 1,000 of our trucks, roughly a third of our international fleet. As a result, Waberer's managed to not only keep but also improve gross margin and EBITDA margin compared to the same period 2019.

The Company has also decided to change the underlying business model in the International Transportation Segment, introduced starting as of 1 July 2020. The previously used 'taxi' model optimised the match between trucks and orders centrally based on the location of trucks and a snapshot of the order book at the time of the optimisation. This model involved uncertainty in terms of revenue streams and truck utilisation and relied heavily on the spot transportation market that had a lower profitability, and thus will be abandoned gradually. Instead, a 'trade lane' model has been introduced which relies on contracted clients and recurring orders, and will concentrate on the main trade routes within the European Union. Management has started executing the change in the business model in June and has been progressing in line with initial expectations. A full business model shift, however, requires time and we now expect that it will be completed by the end of the year. I am confident that the change in business model will change the International Transportation Segment into a more client-focused, more concentrated, more stable, and higher-margin business.

Regarding RCL, our domestic segment, we are encouraged to see revenue and EBITDA increase even in this challenging market situation. Although the resilience of RCL was partly driven by higher demand for consumer staples replacing the volumes lost in other market segments, it also points out that our focus on partnering with long-term clients has led to a profitable growth in our domestic market share.

The Other segment, which includes predominantly insurance services provided to third parties, was affected by the crisis to a much smaller extent than we had initially expected. We continue to view this segment as a cash generative addition to the core segments of the Group.

Challenges remain for the rest of the year: the demand for transportation and logistics still remains well below pre-crisis levels and the chances of a second wave of a pandemic-driven economic crisis have increased in past weeks. I am confident that we are well prepared to tackle these challenges and find the right solution for our clients, colleagues and investors even in the most adverse market environment."



Information on WABERER'S INTERNATIONAL Nyrt. Series „A” ordinary shares

Markets listed
Trading segment
BSE ticker
Xetra code

Budapest Stock Exchange (BSE)
Equities Prime Market
WABERERS
WABS

ISIN
Reuters ticker
Bloomberg ticker

HU0000120720
WABE.hu
WABERERS HB



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Management analysis

Group result for the period

Income Statement¹ (EUR mn)

	Q2 2020	Q2 2019	Better (worse)	6M 2020	6M 2019	Better (worse)
Revenue	115.5	172.7	(33.1%)	289.3	354.9	(18.5%)
Direct costs	(95.2)	(146.8)	35.1%	(239.6)	(299.1)	19.9%
Gross profit	20.3	25.9	(21.6%)	49.7	55.7	(10.8%)
OPEX	(11.3)	(14.0)	19.7%	(25.8)	(26.1)	1.1%
Non-recurring items	(0.3)	0.1		0.2	(2.4)	
EBITDA (recurring)	8.7	12.0	(27.5%)	24.1	27.2	(11.4%)
Depreciation and Amortisation	(14.6)	(17.9)	18.5%	(29.9)	(35.8)	16.6%
EBIT (recurring)	(5.9)	(5.9)	0.4%	(5.8)	(8.6)	33.0%
Financial result	(6.8)	(1.7)		(8.4)	(2.6)	
Taxes	(2.0)	(1.5)	(32.6%)	(3.0)	(2.3)	(29.2%)
Net income (recurring)	(14.6)	(9.1)	(60.5%)	(17.2)	(13.6)	(26.7%)
Gross margin	17.6%	15.0%	2.6 pp	17.2%	15.7%	1.5 pp
EBITDA margin (recurring)	7.5%	6.9%	0.6 pp	8.3%	7.7%	0.7 pp
EBIT margin (recurring)	(5.1%)	(3.4%)	(1.7 pp)	(2.0%)	(2.4%)	0.4 pp
Net income margin (recurring)	(12.7%)	(5.3%)	(7.4 pp)	(5.9%)	(3.8%)	(2.1 pp)
Average number of trucks in operation	2 673	4 229	(36.8%)	3 216	4 285	(25.0%)
Average number of employees	7 428	7 609	(2.4%)	7 715	7 780	(0.8%)
Average number of operational truck drivers	3 777	5 533	(31.7%)	4 417	5 670	(22.1%)

¹ Figures adjusted for better comparability, re-categorising the effect of insurance-related provisions, an OPEX item, as Direct Costs. EBITDA is not affected. For exact figures on the effect on the re-categorisation, please refer to page 10.

Economic environment

European economic indicators plummeted in April and May 2020 as a result of the COVID-19 containment measures.³ The year-on-year fall in industrial production amounted to 29% and 21% in April and May, respectively. Retail trade decreased by 18% and by 4% in April and May year-on-year, with retail volumes in the non-food products decreasing by 29% and 7%, respectively. In Hungary, the fall in industrial production was even more pronounced than in the Eurozone as volumes fell by 37% in April and by 27% in May. Retail trade in Hungary contracted by 10% and 2% in April and May, respectively.⁴

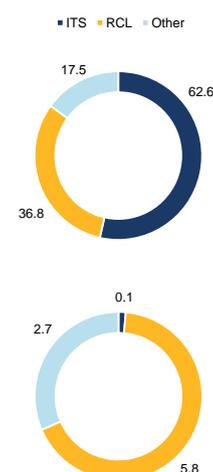
Revenue

Revenue decreased by 33.1% year-on-year in the second quarter of 2020 to EUR 115.5 million. Compared to the second quarter of last year, revenue was 48.9% lower in the International Transportation Segment (ITS) as a result of the fleet reduction programme in 2019 second half and the halt of cca. 1,000 of the segment's fleet as a response to the market effects of the pandemic crisis and also the temporary price pressure due to the sudden market demand decrease. In the Regional Contract Logistics (RCL) segment, revenue grew by 1.6% as the recent launch of new large automotive inhouse-logistics operation and temporary demand increase at FMCG and retail partners offset the negative effects of the pandemics in other sub-segments.

Headcount

Group headcount was lower in the second quarter of 2020 by 2.4% compared to the same period in 2019. The change was due to two effects: in ITS, number of employees was significantly lower as a result of less drivers needed for a lower

Revenue (top) and recurring EBITDA (bottom) split by segments in Q2 2020 (EUR mn)



Notes: Revenue not filtered for inter-segment eliminations. ITS: International Transportation Segment; RCL: Regional Contract Logistics segment; Other: All other activities including mainly 3rd party insurance services.

³ Data for June 2020 is not available at the time of publication of the current report.

⁴ Source: Eurostat seasonally and calendar day adjusted data for the Eurozone and Hungary. Percentage figures denote the change compared to the same period in the previous year.



amount of trucks in operation and the rationalisation in HQ operation. On the other hand, the new clients acquired by RCL required the hiring of employees to operate warehouses and in-house logistics work.

Gross profit, EBITDA and EBIT

In the second quarter of 2020, **gross profit** was 21.6% below last year's, with gross margin higher by 2.6 percentage points at 17.6%. The higher gross margin was due partly to extraordinary measures by management in response to the COVID crisis leading to significant savings as well as due to lower fuel prices and a favourable change in the product mix.

Recurring **EBITDA** decreased by 27.5% in the second quarter year-on-year, resulting in an EBITDA margin of 7.5%, 0.6 percentage points higher than a year ago. The increase in EBITDA margin is partly due to higher gross margin and savings in OPEX as a result of extraordinary measures.

Recurring **EBIT** remained stable year-on-year at a loss of EUR 5.9 million. Depreciation and Amortisation (D&A) decreased by EUR 3.3 million year-on-year to EUR 14.6 million. D&A was affected by the fleet reduction programme ongoing since early 2019, but the halt of the fleet in the spring of 2020 had no effect on D&A as the stopped vehicles are depreciated even as they were not in operation. Vehicle-related lease payments, normally in line with the depreciation of the fleet, were under EUR 2 million for the quarter due to the debt moratorium introduced by the Hungarian government.

Net income

Financial result showed a charge of EUR 6.8 million in the second quarter of 2020, which compares to a charge of EUR 1.7 million in the same period last year. The decrease in financial result was predominantly a result of non-cash unrealised foreign exchange losses due to the revaluation of the liabilities in subsidiaries that do not use the euro as their functional currency, which amounted to EUR 5.8 million in the quarter. Interest payment decreased to EUR 1 million as a result of lower gross debt. **Tax** expenses, which include corporate income tax as well as revenue-based local taxes, amounted to EUR 2.0 million in the quarter, EUR 0.5 million higher than in the second quarter of last year.

Recurring net income showed a loss of EUR 14.6 million for the quarter compared to a loss of EUR 9.1 million last year mostly due to the aforementioned unrealised foreign exchange losses.

Group cash flow and debt

Cash flow

| Cash Flow Statement (EUR mn)

	Q2 2020	Q2 2019	6M 2020	6M 2019
Net cash flows from operations	12.7	15.1	21.7	17.5
of which: change in working capital	(0.2)	1.5	(0.4)	(19.6)
Net cash flows from investing and financing activities	(4.9)	(19.9)	(30.2)	(31.6)
Change in cash and cash equivalents	7.8	(4.7)	(8.4)	(14.1)
Free Cash Flow	6.2	(0.1)	(0.5)	(2.7)
CAPEX	(1.0)	(1.8)	(2.1)	(4.8)

Net cash flows from operations in the first half of 2020 increased to EUR 21.7 million mainly as a result of lower profits more than offset by the positive effects of strict working capital management.

Net cash flows from investing and financing activities showed a net outflow of EUR 30.2 million in the first six months of 2020, EUR 1.4 million better than the last year's value. The improvement was due to EUR 2.7 million lower CAPEX and EUR 34.4 million lower lease payments as a result of the debt moratorium, partly offset by EUR 14.7 million less income from the sale of used vehicles and EUR 24.7 million reduction in borrowings.

The **cash position** improved by EUR 7.8 million during the quarter.

Free cash flow, which incorporates cash flow from operations, capital expenditures, and all elements of the lease-based financing of the fleet, improved to an outflow of EUR 0.5 million in the first half of 2020 compared to an outflow of EUR 2.7 million in the first half of 2019.



Debt

Indebtedness figures⁵ (EUR mn)

	30 June 2020	31 Dec 2019	30 June 2019
Net financial indebtedness	176.3	191.1	328.1
Net leverage ratio (recurring EBITDA multiple)	3.2	3.3	5.7

Net financial indebtedness decreased to EUR 176.3 million on 30 June 2020, EUR 14.8 million lower than at the end of 2019. The year-to-date decrease in net financial indebtedness was due to EUR 3.1 million higher cash balance and the deleveraging effect of a smaller fleet size amounting to EUR 11.7 million.

Net leverage ratio, a multiple of last twelve month recurring EBITDA, was at 3.2 on 30 June 2020, meaning a slight improvement compared the end of 2019. The stability in leverage reflects the positive effects of extraordinary measures on both EBITDA and the net cash position of the Group, partly due to the leasing moratorium.

⁵ Gross and net financial indebtedness were affected by a change in the accounting treatment of leases at the Group's International Transportation Segment (ITS) in 2019. In the previous methodology, trucks in ITS at both the Hungarian-based and Polish-based operations were acquired with the possibility to buy the truck at the end of the lease periods, with the total value of the truck capitalised in the balance sheet as an asset and a leasing liability. The new method assumes that the trucks will be handed back to the lessor at the end of the lease periods, with the capitalised amount of the contractual lease payments activated on the balance sheet. The change in this accounting method was adopted by the Polish-based operations at 30 September 2019, as reported in the Third Quarter 2019 Financial Report, and reduced assets and leasing liabilities by EUR 28 million. Regarding Hungarian-based operations, the total effect was EUR 72.4 million and the change was adopted on 31 December 2019, amounting to a total balance sheet impact of EUR 100.4 million in 2019.



International Transportation Segment

International Transportation Segment financial information (EUR mn)

	Q2 2020	Q2 2019	Better (worse)	6M 2020	6M 2019	Better (worse)
Revenue	62.6	122.6	(48.9%)	174.1	257.1	(32.3%)
Direct Costs	(55.9)	(107.6)	48.1%	(151.6)	(222.4)	31.8%
Gross profit	6.7	14.9	(54.9%)	22.4	34.7	(35.4%)
OPEX	(6.3)	(9.7)	35.1%	(15.8)	(17.5)	9.6%
Non-recurring items	(0.3)	(0.1)		0.2	(2.6)	
EBITDA (recurring)	0.1	5.1	(97.7%)	6.8	14.6	(53.4%)
Gross margin	10.8%	12.2%	(1.4 pp)	12.9%	13.5%	(0.6 pp)
EBITDA margin (recurring)	0.2%	4.2%	(4.0 pp)	3.9%	5.7%	(1.8 pp)

¹ Figures adjusted for better comparability, re-categorising the effect of insurance-related provisions, an OPEX item, as Direct Costs. EBITDA is not affected. For exact figures on the effect on the re-categorisation, please refer to page 11.

International Transportation Segment **revenue** decreased by 48.9% to EUR 62.6 million in the second quarter of 2020 compared to the same period in the previous year. The active fleet size decreased by more than 1,500 trucks, or 36.8% year-on-year as a result of the continuous fleet size reduction programme started in 2019 and the halt of cca. 1,000 trucks in March 2020 introduced in response to the pandemic-related fall in demand. Transportation prices fell as transportation capacities exceeded the demand in the crisis.

Gross profit in the second quarter of 2020 decreased by 54.9% year-on-year to EUR 6.7 million with gross margin dropping by 1.4 percentage points to 10.8% as a result of most direct cost items reflecting the fall in active fleet size and lower fuel prices. **Recurring EBITDA** fell to EUR 0.1 million in the second quarter of 2020 due to the decrease in gross profit more than offsetting the positive effect of EUR 3.4 million OPEX savings.



Regional Contract Logistics

Regional Contract Logistics financial information (EUR mn)

	Q2 2020	Q2 2019	Better (worse)	6M 2020	6M 2019	Better (worse)
Revenue	36.8	36.3	1.6%	83.1	70.9	17.1%
Direct Costs	(25.7)	(26.6)	3.2%	(59.3)	(52.2)	(13.6%)
Gross profit	11.1	9.7	14.7%	23.8	18.7	26.8%
OPEX	(5.3)	(4.8)	(10.0%)	(10.9)	(9.3)	(17.2%)
Non-recurring items	-	0.2		-	0.2	
EBITDA (recurring)	5.8	5.1	14.2%	12.9	9.7	33.2%
Gross margin	30.2%	26.7%	3.5 pp	28.6%	26.4%	2.2 pp
EBITDA margin (recurring)	15.8%	14.1%	1.7 pp	15.5%	13.6%	1.9 pp

¹ Figures adjusted for better comparability, re-categorising the effect of insurance-related provisions, an OPEX item, as Direct Costs. EBITDA is not affected. For exact figures on the effect on the re-categorisation, please refer to page 11.

Revenue in the Regional Contract Logistics segment rose by 1.6% year-on-year to EUR 36.8 million in the second quarter of 2020. The increase in revenue was partly due to a large contract in the automotive sector where Waberer's provides in-house logistics services and partly due to the temporary higher market demand for logistics and transportation services in the consumer staples segment that offset the negative effects of the volume drop in other clients segments.

Gross profit grew by 14.7% year-on-year to EUR 11.1 million with gross margin increasing by 3.5 percentage points to 30.2%, reflecting the positive effects of the repricing efforts among key clients and also the favourable fuel price level during the quarter. **EBITDA** increased by 14.2% year-on-year to EUR 5.8 million, corresponding with a margin of 15.8%.



Other segment

| Other segment financial information (EUR mn)

	Q2 2020	Q2 2019	Better (worse)	6M 2020	6M 2019	Better (worse)
Revenue	17.5	17.1	2.5%	35.7	33.5	6.8%
Direct Costs	(14.6)	(15.2)	4.0%	(31.2)	(30.1)	(3.6%)
Gross profit	2.9	1.9	55.8%	4.6	3.4	35.7%
OPEX	(0.2)	(0.1)	(18.3%)	(0.1)	(0.4)	65.7%
EBITDA	2.7	1.7	58.9%	4.4	3.0	49.0%
Gross margin	16.6%	10.9%	5.7 pp	12.8%	10.1%	2.7 pp
EBITDA margin	15.6%	10.1%	5.6 pp	12.4%	8.9%	3.5 pp

Revenue in the Other segment, which includes predominantly the third party insurance activities, increased by 2.5% year-on-year, to EUR 17.5 million, reflecting the resilience of the insurance premium income to COVID-related effects.

The profitability of the third party insurance activities improved in the second quarter as **EBITDA** increased to EUR 2.7 million with EBITDA margin higher by 5.6 percentage points at 15.6%, mainly due to lower damage payments as insured vehicles were utilised less as a result of the pandemics-driven restrictions.



Declaration

Undersigned, authorised representatives of WABERER'S INTERNATIONAL Nyrt., the issuer of WABERER'S INTERNATIONAL Nyrt. ordinary shares, hereby declare that WABERER'S INTERNATIONAL Nyrt. takes responsibility for the second quarter financial report disclosed on 6 August 2020, of WABERER'S Group, which has been prepared to the best of our knowledge in accordance with the applicable financial reporting standards, and give a true and fair view of the assets, liabilities, financial position, and profit of WABERER'S INTERNATIONAL Nyrt. and its subsidiaries and presents a fair review of the position, development and performance of WABERER'S INTERNATIONAL Nyrt. and its subsidiaries together with a description of principal risks and uncertainties.

Budapest, 6 August 2020

A handwritten signature in blue ink, appearing to read 'Tóth', written over a light blue horizontal line.

Szabolcs Tóth
Chief Financial Officer

A handwritten signature in blue ink, appearing to read 'Erdélyi', written over a light blue horizontal line.

Barna Erdélyi
Chief Executive Officer



Financial statements and key performance indicators

| Group consolidated income statement (IFRS, EUR mn) and key performance indicators

	Quarterly figures		Year-to-date figures		Better (worse)			
	Q2 2020	Q2 2019	6M 2020	6M 2019	Q2 2020		6M 2020	
	unaudited ¹	unaudited ¹	unaudited ¹	unaudited ¹	EUR mn	percent	EUR mn	percent
Revenue	115.5	172.7	289.3	354.9	(57.2)	(33.1%)	(65.6)	(18.5%)
Direct Costs	(95.2)	(146.8)	(239.6)	(299.1)	51.6	35.1%	59.5	19.9%
Gross Profit	20.3	25.9	49.7	55.7	(5.6)	(21.6%)	(6.0)	(10.8%)
OPEX	(11.3)	(14.0)	(25.8)	(26.1)	2.8	19.7%	0.3	1.1%
Non-recurring items	(0.3)	0.1	0.2	(2.4)	(0.4)		2.6	
EBITDA (recurring)	8.7	12.0	24.1	27.2	(3.3)	(27.5%)	(3.1)	(11.4%)
Depreciation and Amortisation	(14.6)	(17.9)	(29.9)	(35.8)	3.3	18.5%	5.9	16.6%
EBIT (recurring)	(5.9)	(5.9)	(5.8)	(8.6)	0.0	0.4%	2.8	33.0%
Financial result	(6.8)	(1.7)	(8.4)	(2.6)	(5.1)		(5.8)	
Taxes	(2.0)	(1.5)	(3.0)	(2.3)	(0.5)	(32.6%)	(0.7)	(29.2%)
Net income (recurring)	(14.6)	(9.1)	(17.2)	(13.6)	(5.5)	(60.5%)	(3.6)	(26.7%)
Average number of trucks in operation	2 673	4 229	3 216	4 285				
Average number of employees	7 428	7 609	7 715	7 780				
Average number of operational truck drivers	3 777	5 533	4 417	5 670				

¹ Figures adjusted for better comparability, re-categorising the effect of insurance-related provisions, an OPEX item, as direct costs. The re-categorisation affects figures for Direct costs and OPEX by amounts as presented in the table below.

	Q2 2020	Q2 2019	6M 2020	6M 2019
Effect on Direct costs	0.4	5.2	-0.6	2.3
Effect on OPEX	-0.4	-5.2	0.6	-2.3

| Reconciliation of recurring figures (EUR mn)

	Quarterly figures		Year-to-date figures		Better (worse)			
	Q2 2020	Q2 2019	6M 2020	6M 2019	Q2 2020		6M 2020	
	unaudited	unaudited	unaudited	unaudited	EUR mn	percent	EUR mn	percent
EBITDA (reported)	9.0	11.9	23.9	29.6	(2.8)	(23.9%)	(5.7)	(19.3%)
EBIT (reported)	(5.5)	(6.0)	(6.0)	(6.2)	0.5	7.8%	0.2	3.8%
Net income (reported)	(14.3)	(9.2)	(17.4)	(11.2)	(5.1)	(55.0%)	(6.2)	(55.9%)
Non-recurring items	(0.3)	0.1	0.2	(2.4)	(0.4)		2.6	
EBITDA (recurring)	8.7	12.0	24.1	27.2	(3.3)	(27.5%)	(3.1)	(11.4%)
EBIT (recurring)	(5.9)	(5.9)	(5.8)	(8.6)	0.0	0.4%	2.8	33.0%
Net income (recurring)	(14.6)	(9.1)	(17.2)	(13.6)	(5.5)	(60.5%)	(3.6)	(26.7%)



International Transportation Segment, financial information (IFRS, EUR mn) and key performance indicators

	Quarterly figures		Year-to-date figures		Better (worse)			
	Q2 2020	Q2 2019	6M 2020	6M 2019	Q2 2020		6M 2020	
	unaudited ¹	unaudited ¹	unaudited ¹	unaudited ¹	EUR mn	percent	EUR mn	percent
Revenue	62.6	122.6	174.1	257.1	(60.0)	(48.9%)	(83.1)	(32.3%)
Direct Costs	(55.9)	(107.6)	(151.6)	(222.4)	51.8	48.1%	70.8	31.8%
Gross Profit	6.7	14.9	22.4	34.7	(8.2)	(54.9%)	(12.3)	(35.4%)
OPEX	(6.3)	(9.7)	(15.8)	(17.5)	3.4	35.1%	1.7	9.6%
Non-recurring items	(0.3)	(0.1)	0.2	(2.6)	(0.2)		2.8	
EBITDA (recurring)	0.1	5.1	6.8	14.6	(5.0)	(97.7%)	(7.8)	(53.4%)
Average number of trucks in operation	1 874	3 420	2 409	3 480				
Average number of operational truck drivers	2 787	4 566	3 438	4 706				
Number of orders (thousand)	57.9	83.3	145.4	177.8				

¹ Figures adjusted for better comparability, re-categorising the effect of insurance-related provisions, an OPEX item, as direct costs. The re-categorisation affects figures for Direct costs and OPEX by amounts presented in the table below.

	Q2 2020	Q2 2019	6M 2020	6M 2019
Effect on Direct costs	0.3	5.9	-0.7	3.0
Effect on OPEX	-0.3	-5.9	0.7	-3.0

Regional Contract Logistics segment, financial information (IFRS, EUR mn) and key performance indicators

	Quarterly figures		Year-to-date figures		Better (worse)			
	Q2 2020	Q2 2019	6M 2020	6M 2019	Q2 2020		6M 2020	
	unaudited ¹	unaudited ¹	unaudited ¹	unaudited ¹	EUR mn	percent	EUR mn	percent
Revenue	36.8	36.3	83.1	70.9	0.6	1.6%	12.1	17.1%
Direct Costs	(25.7)	(26.6)	(59.3)	(52.2)	0.9	3.2%	(7.1)	(13.6%)
Gross Profit	11.1	9.7	23.8	18.7	1.4	14.7%	5.0	26.8%
OPEX	(5.3)	(4.8)	(10.9)	(9.3)	(0.5)	(10.0%)	(1.6)	(17.2%)
Non-recurring items	-	0.2	-	0.2	(0.2)		(0.2)	
Recurring EBITDA	5.8	5.1	12.9	9.7	0.7	14.2%	3.2	33.2%
Average number of trucks in operation	799	809	807	805				
Average number of operational truck drivers	990	967	979	964				
Warehousing capacity (th. sq. metres)	230.7	214.1	231.3	210.1				

¹ Figures adjusted for better comparability, re-categorising the effect of insurance-related provisions, an OPEX item, as direct costs. The re-categorisation affects figures for Direct costs and OPEX by amounts presented in the table below.

	Q2 2020	Q2 2019	6M 2020	6M 2019
Effect on Direct costs	0.0	-0.7	0.1	-0.7
Effect on OPEX	0.0	0.7	-0.1	0.7

Other segment, financial information (IFRS, EUR mn)

	Quarterly figures		Year-to-date figures		Better (worse)			
	Q2 2020	Q2 2019	6M 2020	6M 2019	Q2 2020		6M 2020	
	unaudited	unaudited	unaudited	unaudited	EUR mn	percent	EUR mn	percent
Revenue	17.5	17.1	35.7	33.5	0.4	2.5%	2.3	6.8%
Direct Costs	(14.6)	(15.2)	(31.2)	(30.1)	0.6	4.0%	(1.1)	(3.6%)
Gross Profit	2.9	1.9	4.6	3.4	1.0	55.8%	1.2	35.7%
OPEX	(0.2)	(0.1)	(0.1)	(0.4)	(0.0)	(18.3%)	0.3	65.7%
EBITDA	2.7	1.7	4.4	3.0	1.0	58.9%	1.5	49.0%

Inter-segment eliminations in the income statement (IFRS, EUR mn)

	Quarterly figures		Year-to-date figures	
	Q2 2020	Q2 2019	6M 2020	6M 2019
	unaudited	unaudited	unaudited	unaudited
Revenue	(1.4)	(3.2)	(3.6)	(6.6)
Direct Costs	0.9	2.7	2.5	5.6
Gross Profit	(0.5)	(0.5)	(1.0)	(1.1)
OPEX	0.5	0.5	1.0	1.1
EBITDA	0.0	(0.0)	(0.0)	(0.0)



| Group consolidated balance sheet (IFRS, EUR mn)

	30 June 2020 unaudited	31 December 2019 audited	30 June 2019 unaudited
NON-CURRENT ASSETS			
Property	60.7	69.1	68.0
of which: Right of use assets	45.3	50.7	49.1
Fixed assets not yet capitalized	0.4	0.3	1.7
Vehicles	126.1	154.1	289.7
Other equipment	4.1	4.9	5.5
Total property, plant and equipment	191.3	228.4	364.9
Intangible assets	17.2	17.9	17.0
Goodwill	31.7	31.7	47.6
Other Financial investments - Debt instruments - Long term	80.1	72.8	64.0
Other non-current financial assets	0.1	0.1	0.0
Reinsurance amount of technical reserves	38.8	36.5	34.6
Deferred tax asset	0.8	1.9	3.3
TOTAL NON-CURRENT ASSETS	359.9	389.2	531.4
CURRENT ASSETS			
Inventories	3.4	3.8	4.0
Current income taxes	3.2	1.6	2.6
Trade receivables	80.9	111.7	120.3
Other current assets and derivatives	31.9	49.2	49.2
Cash and cash equivalents	42.4	50.9	43.5
Assets classified as held for sale	0.1	0.2	3.8
TOTAL CURRENT ASSETS	161.9	217.3	223.5
TOTAL ASSETS	521.9	606.5	754.8
SHAREHOLDERS' EQUITY			
Share capital	6.1	6.1	6.2
Reserves and retained earnings	79.7	98.3	127.3
Translation difference	(4.2)	(0.9)	0.6
Total equity attributable to the equity holders of the parent company	81.6	103.5	134.1
Non-controlling interest	0.2	0.1	0.1
TOTAL SHAREHOLDERS' EQUITY	81.8	103.6	134.2
LIABILITIES			
LONG-TERM LIABILITIES			
Long-term portion of leasing liabilities	112.0	128.7	252.2
Deferred tax liability	1.0	1.7	1.6
Provisions	20.9	20.4	19.6
Other insurance technical provision - long term	91.3	86.1	78.8
TOTAL LONG-TERM LIABILITIES	225.2	236.9	352.2
CURRENT LIABILITIES			
Short-term loans and borrowings	43.5	48.5	36.0
Short-term portion of leasing liabilities	63.3	64.7	83.5
Trade payables	76.6	118.3	119.8
Current income taxes	0.7	0.5	0.1
Provisions	1.4	3.0	1.1
Other current liabilities and derivatives	22.0	20.9	21.2
Other insurance technical provision - short term	7.2	10.0	6.6
TOTAL CURRENT LIABILITIES	214.8	266.0	268.4
TOTAL LIABILITIES	440.0	502.8	620.6
TOTAL EQUITY AND LIABILITIES	521.9	606.5	754.8
DEBT			
Gross financial indebtedness	218.7	242.0	371.6
Net financial indebtedness	176.3	191.1	328.1
LTM recurring EBITDA	55.3	58.4	57.4
Net leverage ratio	3.2	3.3	5.7



| Group consolidated cash flow statement (IFRS, EUR mn)

	Quarterly figures		Year-to-date figures	
	Q2 2020 unaudited	Q2 2019 unaudited	6M 2020 unaudited	6M 2019 unaudited
Profit/loss before tax	(12.3)	(7.7)	(14.4)	(8.8)
Non-realised exchange loss/gain on other FX assets and liabilities (-)	9.6	0.4	6.6	0.1
Booked depreciation and amortisation	12.8	18.1	26.3	35.8
Impairment	0.1	0.2	0.1	0.0
Interest expense	0.7	1.0	1.7	2.2
Interest income	(0.0)	(0.0)	(0.1)	(0.1)
Difference between provisions allocated and used	(0.7)	(6.4)	(1.0)	(3.7)
Changes of Insurance technical reserves	2.6	9.3	2.9	13.3
Result from sale of tangible assets	(0.0)	(0.0)	(0.0)	(0.1)
Result from sale of non-current assets held for sale	0.0	(1.2)	(0.0)	(1.8)
Net cash flows from operations before changes in working capital	12.9	13.6	22.1	37.1
Changes in inventories	0.2	0.0	0.4	0.3
Changes in trade receivables	29.5	5.7	31.1	(5.7)
Changes in other current assets and derivative financial instruments	6.8	1.0	17.6	0.8
Changes in trade payables	(33.5)	(2.7)	(41.8)	(13.6)
Changes in other current liabilities and derivative financial instruments	1.6	(4.3)	(1.0)	(0.2)
Changes in Insurance technical liabilities	(2.7)	3.2	(2.8)	2.5
Income tax paid	(2.1)	(1.4)	(3.9)	(3.8)
I. Net cash flows from operations	12.7	15.1	21.7	17.5
Tangible asset additions	(1.0)	(1.8)	(2.1)	(4.8)
Income from sale of tangible assets	0.0	0.0	0.1	0.4
Income from sale of non-current assets held for sale	0.3	9.9	0.8	15.5
Changes in other non-current financial assets	(0.1)	0.0	0.0	0.0
Changes in Financial investments (Equity and Debt instruments)	1.7	(4.7)	(8.1)	(11.5)
Interest income	0.0	0.0	0.1	0.1
II. Net cash flows from investing activities	1.0	3.6	(9.2)	(0.3)
Borrowings	(3.8)	4.9	(6.5)	18.1
Repayment of loans, borrowings	-	(0.0)	-	-
Lease payment	(0.8)	(20.3)	(11.8)	(33.7)
Lease payment related to sold assets	(0.6)	(7.0)	(1.0)	(13.4)
Interest paid	(0.7)	(1.0)	(1.7)	(2.2)
III. Net cash flows from financing activities	(5.9)	(23.4)	(21.0)	(31.2)
IV. Changes in cash and cash equivalents	7.8	(4.7)	(8.4)	(14.1)
Cash and cash equivalents as at the beginning of the period	34.6	48.3	50.9	57.7
Cash and cash equivalents as at the end of the period	42.4	43.5	42.4	43.5
Free cash flow	6.2	(0.1)	(0.5)	(2.7)



- | Group consolidated statement of changes in equity (IFRS, unaudited, EUR mn)
- | Group consolidated statement of changes in equity (IFRS, unaudited, EUR mn)

	Subscribed capital	Reserves and retained earnings	Translation difference	Total equity attributable to the equity holders of the parent company	Non-controlling interest	Total share-holders' equity
Opening value as at 1 January 2020	6.1	98.3	(0.9)	103.5	0.1	103.6
Fair-value of cash-flow hedged transaction (FX) - less deferred tax	-	(0.8)	-	(0.8)	-	(0.8)
Fair-value of financial instruments	-	(0.4)	-	(0.4)	-	(0.4)
Exchange difference on foreign operations	-	-	(3.2)	(3.2)	-	(3.2)
Other comprehensive income	-	(1.2)	(3.2)	(4.4)	-	(4.4)
Profit/Loss for the period	-	(17.4)	-	(17.4)	0.1	(17.4)
Total comprehensive income	-	(18.6)	(3.2)	(21.9)	0.1	(21.8)
Other movements	-	(0.0)	(0.0)	(0.0)	0.0	(0.0)
Closing value as at 30 June 2020	6.1	79.7	(4.2)	81.6	0.2	81.8
Opening value as at 1 January 2019	6.2	138.6	0.2	145.0	0.1	145.1
Fair-value of cash-flow hedged transaction (FX) - less deferred tax	-	(0.1)	-	(0.1)	-	(0.1)
Exchange difference on foreign operations	-	-	0.4	0.4	-	0.4
Other comprehensive income	-	(0.1)	0.4	0.3	-	0.3
Profit/Loss for the period	-	(11.2)	-	(11.2)	0.0	(11.2)
Total comprehensive income	-	(11.3)	0.4	(10.9)	0.0	(10.8)
Other movements	-	-	-	-	-	-
Closing value as at 30 June 2019	6.2	127.3	0.6	134.1	0.1	134.2

Glossary

Income statement

Direct Costs: All costs, expenses and income that can be directly attributed to revenue. In the income statement presentation of the annual report, this includes Cost of trucking subcontractors, Cost of goods sold, Direct wages, benefits & allowances, Fuel cost, Toll fees & transit costs, Repair & maintenance, Insurance costs, Reinsurance fee, Direct rent, Other contracts, Vehicle weight tax and other transport related taxes, and Net gain on fleet sales.

OPEX: All costs, expenses and income that cannot be directly assigned to revenue. In the income statement presentation of the annual report, this includes indirect wages & benefits, Other services, Other operating income, and Other operating expense.

EBITDA: Earnings before interest, tax, depreciation and amortisation.

EBIT: Earnings before interest and tax.

Non-recurring items: One-off revenue or cost items related to costs related to IPO-related and other consultancy services, severance payments, provisions for the employee share ownership programme, goodwill impairment, and other income and expense related to lawsuits and settlements.

Recurring EBITDA: EBITDA adjusted with non-recurring items.

Recurring EBIT: EBIT adjusted with non-recurring items.

Recurring Net income: Net income adjusted with non-recurring items.

Cash flow and debt

Free Cash Flow: The sum of the following cash flow items: Net cash from operations, Tangible asset additions, Income from sale of non-current assets held for sale, Borrowings, Lease payments related to sold assets, Lease payment and Interest paid.

Gross financial indebtedness: The sum of the following balance sheet items: Long-term portion of long-term loans, Long-term portion of leasing liabilities, Short-term loans and borrowings, and Short-term portion of leasing liabilities.

Net financial indebtedness: Gross leverage less Cash and cash equivalents.

Net leverage ratio: Net leverage divided by last twelve month recurring EBITDA.

Other terms

ITS: International Transportation Segment, including operations in Poland.

RCL: Regional Contract Logistics segment.

Other segment: The part of the Group not performing transportation-related operations. The majority of the Other segment's performance is the activity of the Insurance Company insuring third parties.

Insurance Company: Wáberer Hungária Biztosító Zrt., is fully owned by Waberer's International Nyrt.