

September 20, 2023

Robust Growth for the AutoWallis Group

INVESTOR DAY

We are building the leading car dealership and
mobility service provider
in the Central and Eastern European region

AutoWallis
GROUP



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Highlights of the
last 12 month

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01 Highlights of the last 12 months

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Highlights of the last 12 months

Acquisition of import rights for the **Renault**, **Dacia** and **Alpine** brands in cooperation with Salvador Caetano

09/2022

Acquisition of **Net Mobilitás Zrt.**, the operator of **JóAutók.hu** and **Autó-Licit.hu**

01/2023

Acquisition of **Nelson's fleet management** business line

01/2023

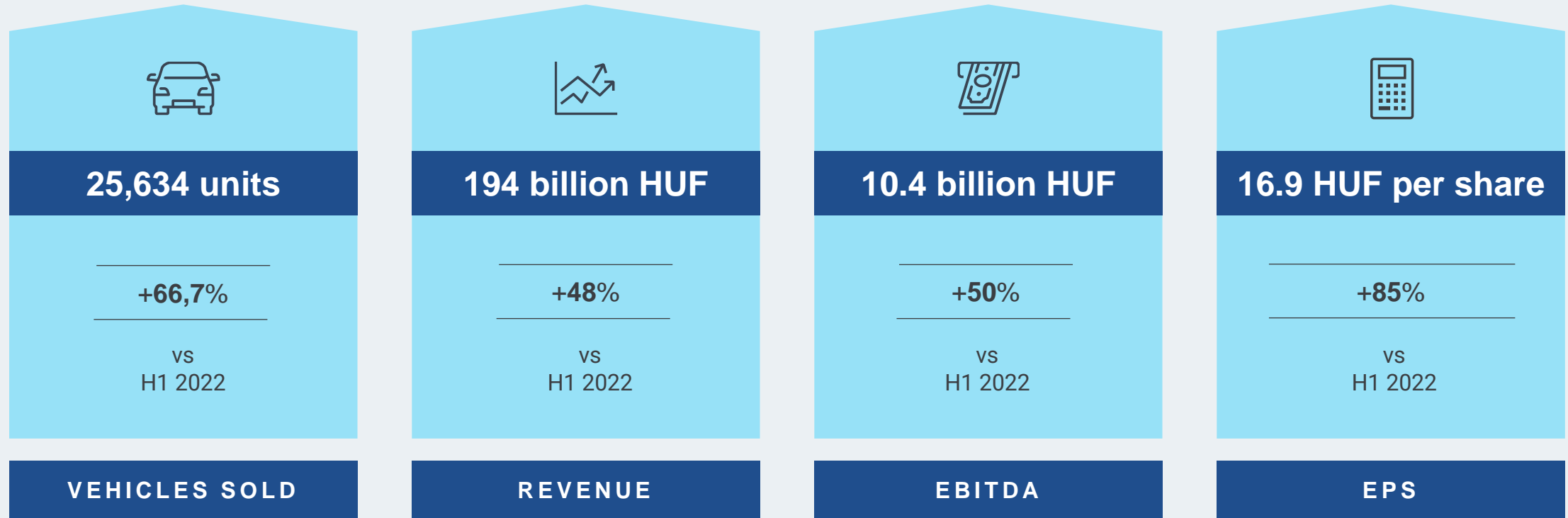
Acquisition of the operator of **ShareNow Hungary**

08/2023

02 Our performance in H1 2023

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Robust growth continuing in H1 2023



We continue to achieve record results to create a solid basis for implementing our strategic plans.

We build a diversified and resilient business portfolio

01

More than half of the turnover comes from abroad: **a diversified and crisis-proof portfolio**

02

A **selective acquisition strategy** that supports organic growth

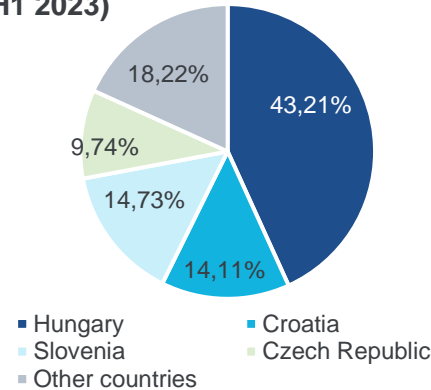
03

Sales growth **significantly above average growth** in most of our markets

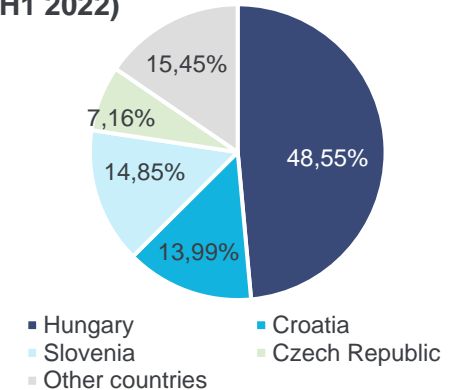
04

Growing revenues in all markets and businesses compared to the first half of 2022

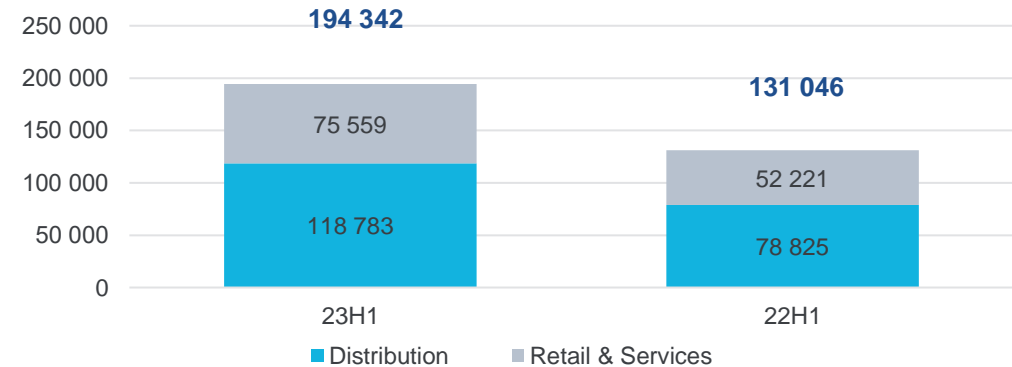
Revenue breakdown by country (H1 2023)



Revenue breakdown by country (H1 2022)



Change in revenue by business unit in HUF mn (H1 2023 / H1 2022)



03

A strategic environment in change:
outlook of the automotive market

Main trends in the industry

01

COMPETING POWERTRAIN TECHNOLOGIES

- Confirming EU decision to **phase out internal combustion vehicles by 2035**
- **German lobbying** for synthetic fuels (immature technology)
- Some **manufacturers investing** in the development of hydrogen fuel cell propulsion
- **Still undecided technological competition** between different powertrains
- **Incremental changes**, little impact at the fleet level in the next 5 years

02

EXPANSION OF CHINESE MANUFACTURERS

- China exported 3.2 million cars in 2022, of which 522,000 were destined for the EU market, but only a fraction of these made by Chinese-owned OEMs
- **Manufacturing capacities** are being established in Europe
- **Competitors and potential partners** at the same time

03

CHANGING DISTRIBUTION MODELS

- Attempts to change the importer sales model by several European manufacturers
- **Various agency model concepts**, different opportunities and responsibilities

04

CHANGING CUSTOMER EXPECTATIONS

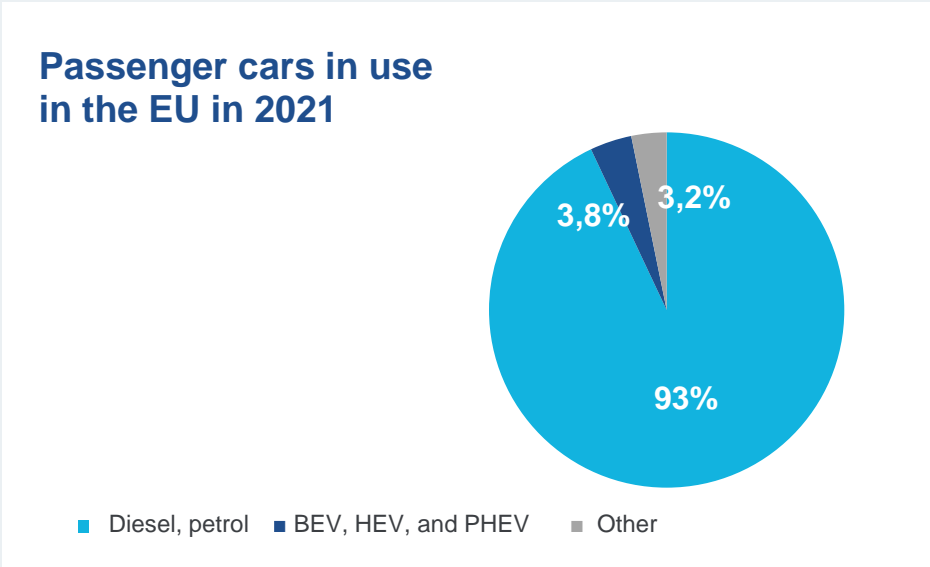
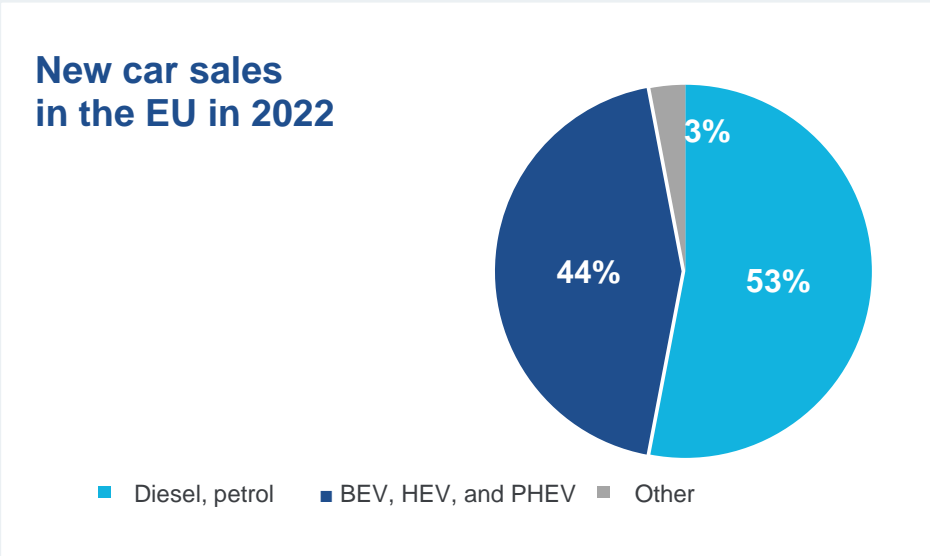
- A **growing role of mobility services** in metropolitan transportation
- Consumer behaviors and expectations adopted from other retail segments
- Shift from ownership to **usage-based business models** especially in case of younger consumer groups

Competing powertrain technologies

In 2022, **44% of passenger cars sold** in the EU were electric or hybrid-electric cars, but **their share in the total running fleet is still negligible.**

In the CEE region, the **high and increasing average age of the running car fleet (above 14 years)** is expected to slow down the pace of change.

In Hungary, the share of electric cars in new car sales exceeded **5%** for the first time this year. This marks an important **threshold for innovation uptake.**

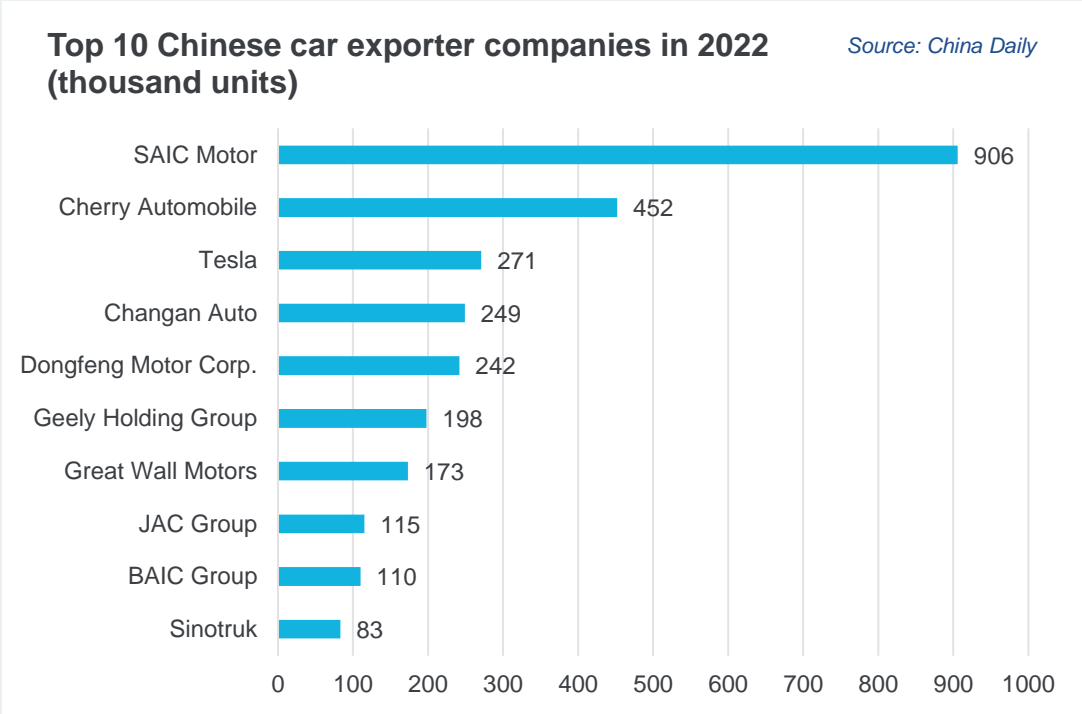


Expansion of Chinese manufacturers

- **China** exported less than 1 million cars a year before 2021, doubling this in 2021.
- In 2022, it **exceeded 3 million units, overtaking Japan as the global leader.**

- In **H1 2023, China exported 1,78 million passenger cars** (an increase of 88.4%), of which 534,000 were electric cars (an increase of 160%).
- It is expected to reach **4 million this year.**

- In H1 2023, BYD increased its exports by 1060% to 81,000 cars
- Other Chinese car manufacturers also grew significantly (Cherry by 394,000 units, Great Wall by 124,000 units).




According to UBS Group analysts, the current global market share of traditional car manufacturers could fall from 81% to 58% by 2030.


Source: Bloomberg


The change in the distribution model is a slow process

Car manufacturers' statements on switching from an importer sales model to a genuine or non-genuine agency model

- In recent years, over-demand has supported direct sales
- Stronger competition for alternative sales models in the future as supply catches up and demand falls

	<p>Agency model in Austria, Belgium, Luxemburg, and the Netherlands from September 2023</p> <p>Extension to other EU-countries from 2024</p>
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	<p>MINI sales in an agency model in Germany from January 2024</p> <p>BMW brand switches from 2026</p> <p>Direct online sales forecast to exceed 25%</p>
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	<p>Agency model in the United Kingdom from 2024</p>
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	<p>Rejection of the agency model</p>
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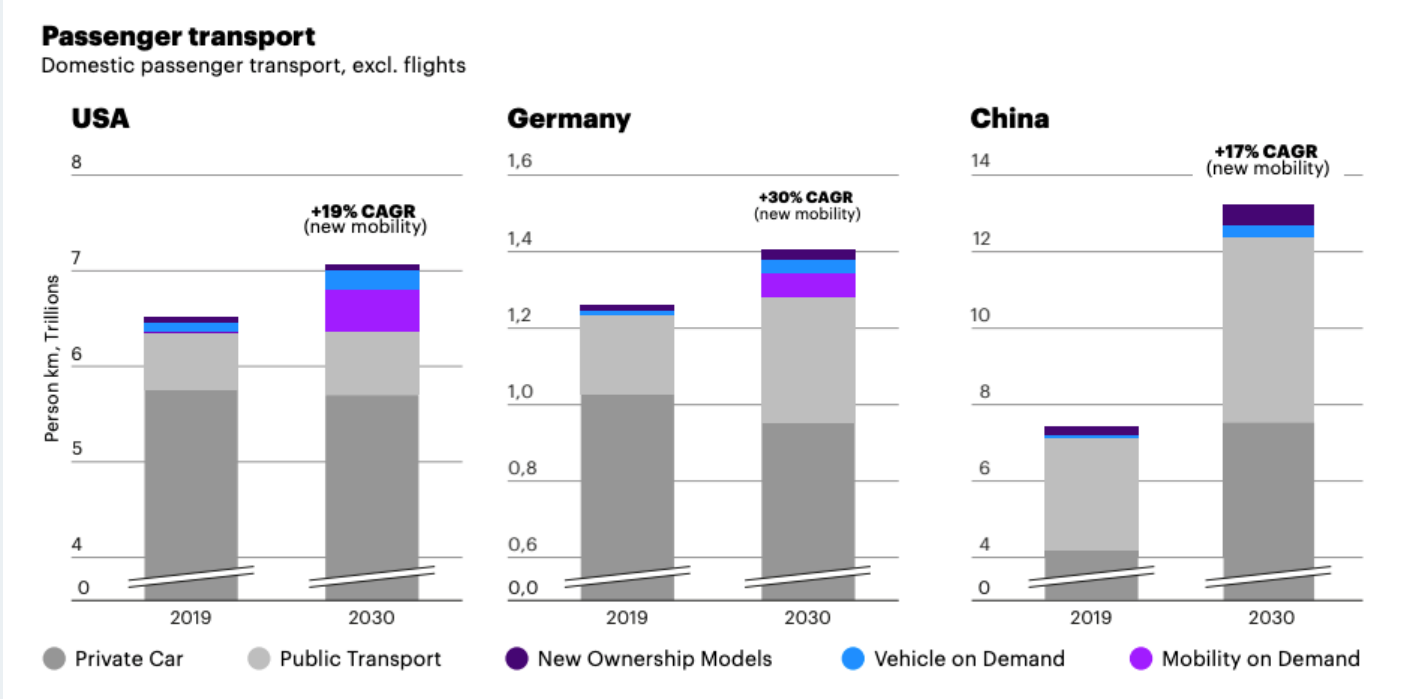
	<p>Continuation of the traditional sales model, monitoring alternative sales models</p>
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Changing customer expectations

01 **Urbanisation** is still a growing trend in Europe. Urban populations, especially young people, are eager to use **mobility services**.

02 **Mobility-as-a-Service (MaaS)** solutions are a collection of mobility services available in a city, **integrated** at some level, from public transport to car-sharing, and micro-mobility devices.

03 There are both **economic** (the rising costs of car ownership and operation) and **value-driven** reasons (e.g., **green considerations**) behind the changes in consumer trends.



Source: Accenture

04 Strategy of the AutoWallis Group



Our means to successfully handle the changes of the automotive industry and economic environment

A consciously planned growth strategy

01

Sophisticated standards in acquisition evaluation

02

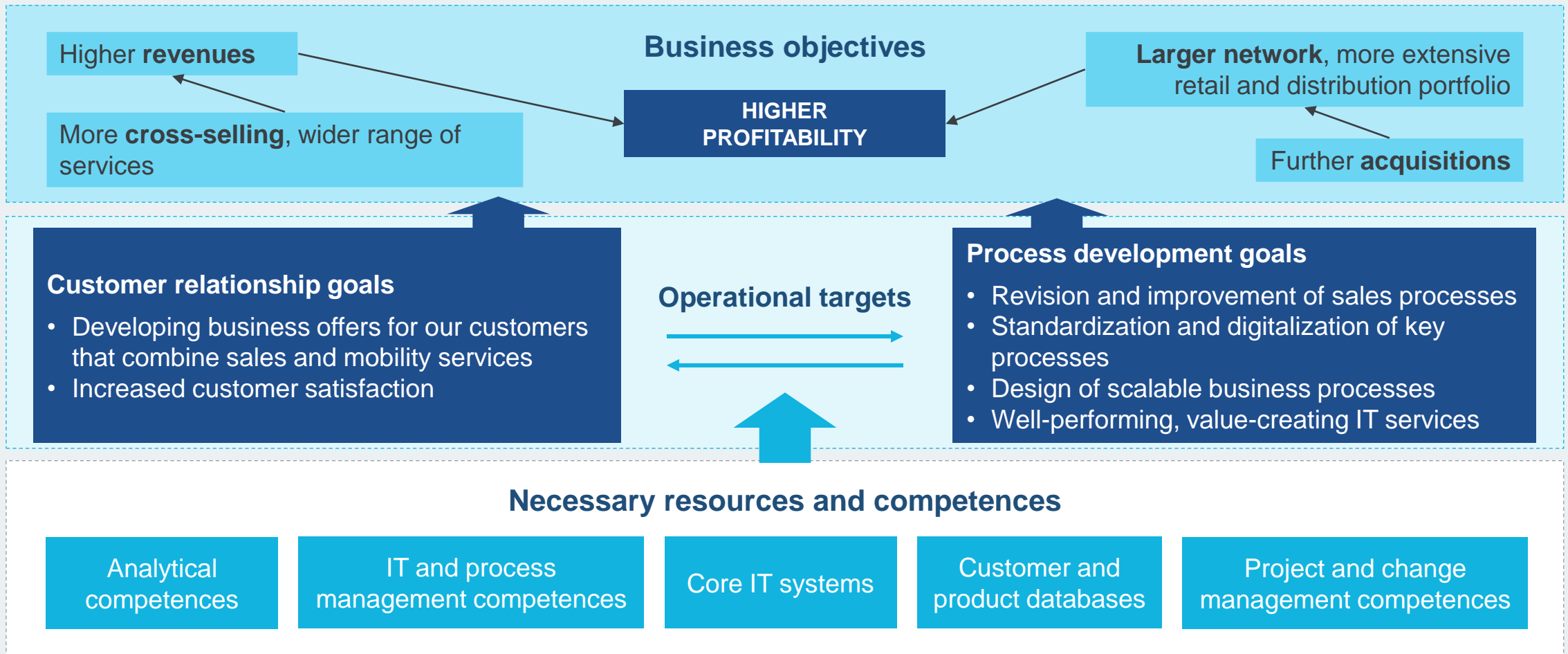
Active market presence

03

Integration capabilities

04

Structure of objectives and actions



05 Our 2025 objectives maintained

Sales revenues by business lines

The **increase in revenues** in recent years has been driven by the acquisition of exclusive import rights, the expansion of the retail business, and the continued development of auxiliary services.

Thanks to **successful acquisitions** and **organic growth**, revenues in the retail and services business line increased to 150% in 2022.

Growth continued in 2023, primarily due to the carry-over effect of last year's orders.

In the light of the changes in the macroeconomic environment, the Group reassessed its previously published 2025 targets in Spring 2023 and **maintained its 2025 annual revenue target of over HUF 400 billion excluding additional transaction effects.**

After four record years of financial performance, we can adjust our sales and management plans upwards again in 2024.

Data (billion HUF)	2019	2020	2021	2022	H12023	2025 target
Retail and mobility business unit	39	50	84	111	76	150 – 160
Distribution business unit	36	39	111	159	119	250 – 273
Group revenue	75	89	195	270	194	400 – 433

06 Our plans for the capital market

Our capital markets performance

The shares from the capital increase of AutoWallis were listed on Budapest Stock Exchange on February 7, 2019.

Transparent quarterly report system

BUX, BUMIX index membership

Inclusion in the Premium Category of Budapest Stock Exchange

We included in the 'BSE market development program for companies with small and medium capitalization', which means regular independent analyst monitoring and price quotation

Several private placements, Club-deal capital increase

More than 4,000 private shareholders, expanding the circle of retail investors, we also built on institutional investors

For the 1st time, we published a Green Financing framework in the premium category

Bond issue, green bond issue

Share issue with public listing
(since 2010, there has not been a retail listing of this size on the BSE)

BSE professional recognitions

In addition to the objectives set at the time of stock exchange launch, we have achieved numerous other capital markets objectives over the past five years.

Our plans for the capital markets

In the past 5 years, AutoWallis has changed significantly in its operations, reaching a size and capital market capitalization that puts it on the radar of international financial and professional investors, alongside the further expansion in the domestic capital market.

This will require new targets, instruments, and capital market activities over the next five years.

Obtaining ESG rating

Transforming the green framework, compliance with EU taxonomies, obtaining new certification

Further expansion of analytical coverage, including international analysts

Considering the possibility of issuing foreign currency bonds, possibly convertible bonds

Purchase of own shares for ESOP aims

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