

PRESS RELEASE

AutoWallis: Earnings per share almost doubled in the first half

Budapest, August 31, 2023 – Thanks to the group’s diverse operations and strong growth strategy, AutoWallis closed the first half with results that exceeded the regional and Hungarian car markets. In the first half of the year, the company’s revenue increased by 48%, its net results by 84%, and its EBITDA by 50% year-on-year. As a result, AutoWallis’s earnings per share grew by 85% to reach HUF 17.

The AutoWallis Group closed another strong half, with performance that exceeded the average of not only the Hungarian, but also regional and EU car markets. While the number of new cars registered in the first half of this year on the EU markets relevant to the company listed in the Premium category of the Budapest Stock Exchange showed growth of close to 16%, similarly to the same period in 2022, this same index dropped by 1.5% in Hungary. Contrary to the results of the region’s (and especially Hungary’s) car markets and the disadvantageous processes in the macroeconomic environment, the Group achieved excellent growth in the sale of new and used vehicles, equal to 67%. The organic growth of 27.7% seen in the sale of new cars (in both the Retail & Services and the Distribution Business Units), which surpasses the inflation of the markets in question, is not only significant but also illustrates the strength of the Group’s operations diversified in brands, segments, and geographical areas: as a result, the *revenue* of the AutoWallis Group, present in 15 countries, grew by 48% to reach HUF 194.3 billion in the first half, more than half of which is permanently generated abroad.

The revenue of the AutoWallis Group’s two business units showed well-balanced growth: the Distribution Business Unit saw an increase of 51% and the Retail & Services Business Unit saw an increase of 45% in revenue. Within costs, the value of *cost of goods sold* (CoGS) grew by 47 percent to HUF 163.8 billion, which is slightly less than the company’s revenue figures, leading the AutoWallis Group to improve its margin to 15.7% from the base period value of 15.2%. The positive change is primarily thanks to the fact that the Group was able to apply a successful and effective pricing policy in the high inflation environment both in the purchasing and the sale of new and used cars. The *value of contracted services* grew by 33%, with the 40% increase in *personnel expenses* due primarily to increases in staff numbers from acquisitions (Nelson, Net Mobilitás) and the increase in wages implemented to keep up with labor market changes (the Group’s average headcount increased by 109 to 930 people). The value of *financial gains or losses* in the first half was HUF - 612 million, which is equal to growth of 70%, driven mainly by the significant increase in the interest environment.

Thanks to the significant increase in revenue and to ongoing improvements in efficiency, the AutoWallis Group almost doubled its earnings per share year-on-year to reach a value of HUF 16.87 (+85%), meaning the growth strategy may be realized faster than planned. AutoWallis’s *EBITDA* grew by 50 percent to reach HUF 10.4 billion in the first half, with the EBITDA margin remaining at 5.3%, equal to the figure for the same period last year. Together with the HUF 917 million share of the profits of Renault Hungária, 50% of which was purchased by AutoWallis, the company’s *net results* almost doubled to HUF 7.5 billion, with its *total comprehensive income* equaling HUF 7 billion (+55%).

AutoWallis CEO Gábor Ormosy remains optimistic regarding the figures of the first half: the acquisitions and transactions carried out by the company in recent years have been successful, and

not only have the integrated companies significantly improved the AutoWallis Group's profit generating capabilities, the growth has also been paired with improvement. The growth that can already be seen in the region may manifest in Hungary in the coming quarters, and the Group is continuing to work on additional transactions and acquisitions.

	H1 2023	H1 2022	Changes
Revenue	194 342 010	131 045 612	+48%
<i>Distribution Business Unit</i>	118 783 281	78 824 637	+51%
<i>Retail & Services Business Unit</i>	75 558 729	52 220 975	+45%
Material expense	-3 772 841	-2 428 957	+55%
Services	-8 305 415	-6 266 271	+33%
Cost of goods sold	-163 865 428	-111 106 962	+47%
Personnel expenses	-6 619 653	-4 730 120	+40%
Depreciation and amortization	-2 011 670	-1 631 046	+23%
Profit or loss from trading	9 767 003	4 882 256	+100%
Other income and expenses	-1 406 986	319 189	N.A.
OPERATING PROFIT OR LOSS - EBIT	8 360 017	5 201 445	+61%
Financial gains or losses	-612 164	-359 334	+70%
Share of results of associated and jointly controlled companies **	916 787	0	N.A.
PROFIT BEFORE TAX	8 664 640	4 842 110	+79%
Tax expense	-1 134 564	-759 391	+49%
NET PROFIT OR LOSS	7 530 076	4 082 720	+84%
Retranslation of subsidiaries	-475 688	461 505	N.A.
Total comprehensive income	7 054 388	4 544 224	+55%
EPS (HUF/ share)	16,87	9,14	+85%
EBITDA**	10 371 686	6 901 239	+50%

* IFRS consolidated audited results

** The part due AutoWallis from RN Hungary Kft.'s results in the period

*** Earnings before interest, tax, depreciation and amortization

AutoWallis Group

The AutoWallis Group, a company listed in the Premium category of the Budapest Stock Exchange, as well as in the BUX and BUMIX indices, aims to become a major vehicle trading company and mobility service provider in the Central and Eastern European region by the end of the decade. It is important for the company to continuously expand its automotive industry investment-focused portfolio through acquisitions and to operate as a group with traditional, conservative, and ESG-compliant values and a business policy sensitive to social and environmental challenges. The AutoWallis group is present in 15 countries of the Central and Eastern European region (Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Hungary, Kosovo, Montenegro, North Macedonia, Poland, Romania, Serbia, Slovakia, Slovenia), where it is engaged in the retail and wholesale of vehicles, parts, and accessories, in repair and maintenance services, as well as in short- and long-term vehicle rentals. The Group's Distribution Business Unit represents the Alpine, Dacia, Isuzu, Jaguar, Land Rover, Saab parts, Renault, SsangYong, and Opel brands, and the brands represented by its Retail & Services Business Unit include BMW passenger cars and motorcycles, Dacia, Isuzu, Jaguar, KIA, Land Rover, Maserati, MINI, Nissan, Opel, Peugeot, Renault, SsangYong, Suzuki, Toyota, and Sixt rent-a-car. AutoWallis is the two-time recipient of the "Share Capital Increase of the Year" award at Best of BSE Award Galas (2020, 2021). www.autowallis.com www.facebook.com/AutoWallis



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