



AutoWallis Group Investor Day

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

September 25, 2024





Agenda

- 01 Recent achievements
- 02 Results of the first half of 2024
- 03 Market updates
- 04 Growth and strategic goals - 2028
- 05 Capital market strategy



01

OUR LATEST ACHIEVEMENTS

Our latest achievements





02

RESULTS OF THE FIRST HALF OF 2024

Most significant results of the first half of 2024

OUR REVENUES WERE IN LINE WITH EXPECTATIONS AND RETAIL SALES REMAINED STRONG IN THE FIRST HALF OF THE YEAR

1

Retail Business Unit:
Performing above market
average

2

Successfully completed
international retail transaction in
Czechia

3

Distribution Business Unit: Significant one-time and base
effects in half-year comparison. Sales have been
continuously expanding since last autumn



25 438 units
(2024 H1)

-0.8%

vs
2023 H1

UNITS SOLD



HUF 195 billion
(2024 H1)

+0.8%

vs
2023 H1

REVENUE



HUF 9 billion
(2024 H1)

-13.2%

vs
2023 H1

EBITDA



HUF 6.16 Ft per share
(2024 H1)

-64%

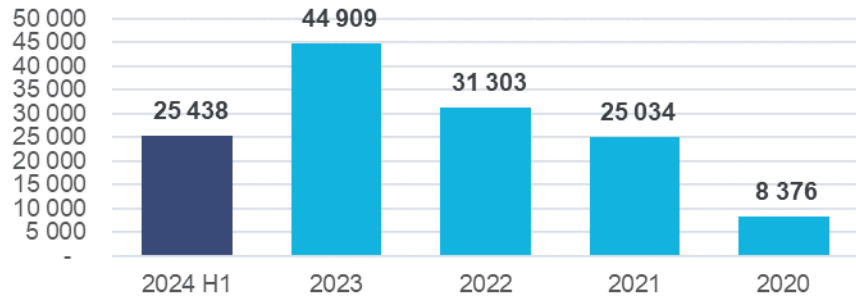
vs
2023 H1

EPS

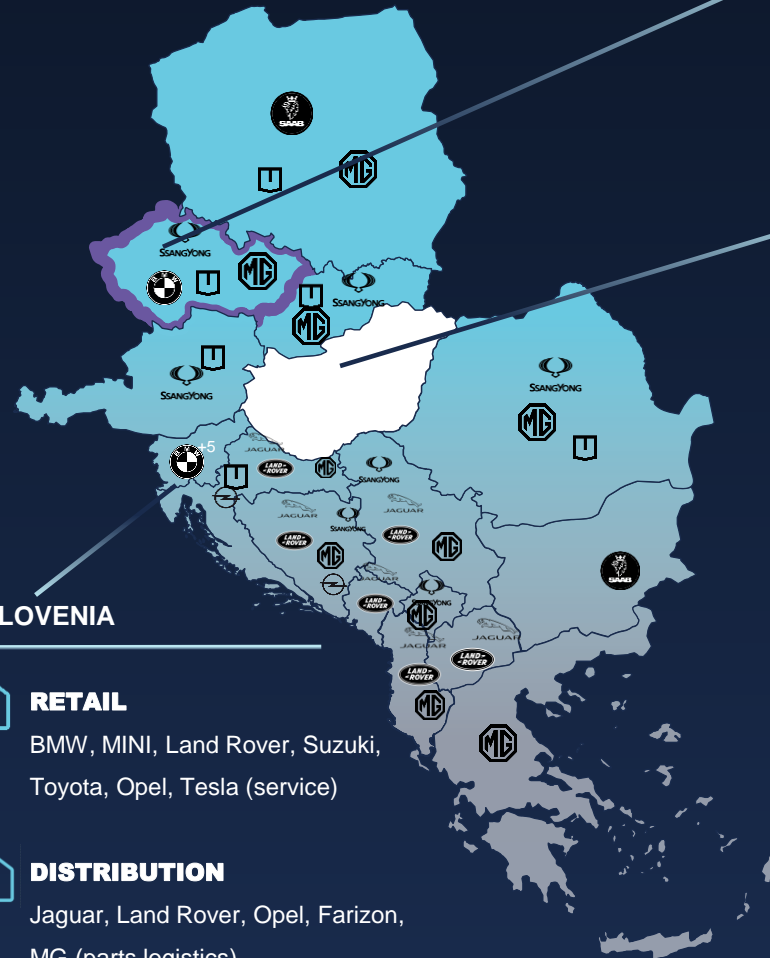
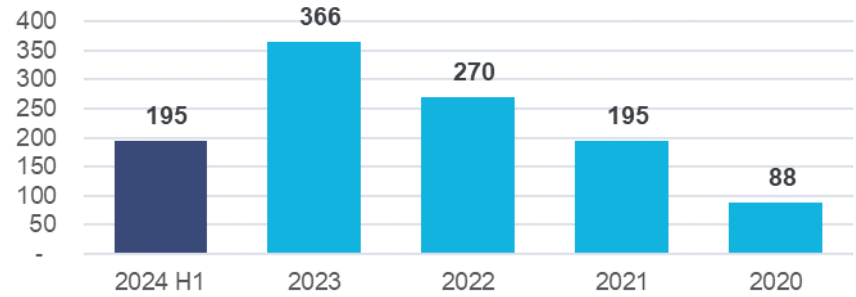
Results, trends

CONTINUOUS ORGANIC GROWTH REINFORCED BY TRANSACTION GROWTH

Number of vehicles sold 24H1 – 20 FY (units)



Revenue 24H1 – 20FY (HUF billion)



CZECH REPUBLIC



RETAIL

BMW (from July, 2024)



DISTRIBUTION

SsangYong, Farizon,
MG (parts logistics)

HUNGARY



RETAIL

BMW, MINI, Motor, Maserati, Jaguar, Land Rover, Opel, Kia, Suzuki, Toyota, Renault, Dacia, Lexus, Isuzu, Nissan, Peugeot, BYD, NetMobilitás



DISTRIBUTION

Isuzu, Opel, SsangYong, Jaguar, Land Rover, Renault, Dacia, Alpine, Farizon, MG (parts logistics), Saab (parts), BYD (service partner)



MOBILITY

Sixt, wigo mobility & wigo fleet, (Fleet / Rental / Sharing)

SLOVENIA



RETAIL

BMW, MINI, Land Rover, Suzuki, Toyota, Opel, Tesla (service)



DISTRIBUTION

Jaguar, Land Rover, Opel, Farizon, MG (parts logistics)



03

MARKET UPDATES

Our new retail market – Czech Republic

CZECH ECONOMIC SITUATION AND OUTLOOK

GDP
 USD 326 billion
 GDP per capita
 29 ezer USD

Good prospects for economic growth and inflation trends



CZECH CAR MARKET

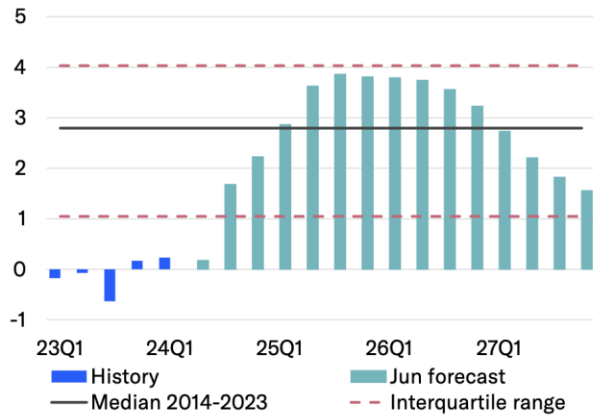
- Czech new car market: **220,000 units** (2x that of Hungary)
- Shows strong growth: between 2022 and 2023, Czech sales increased by 15%, while Hungarian sales decreased by 3.4%.



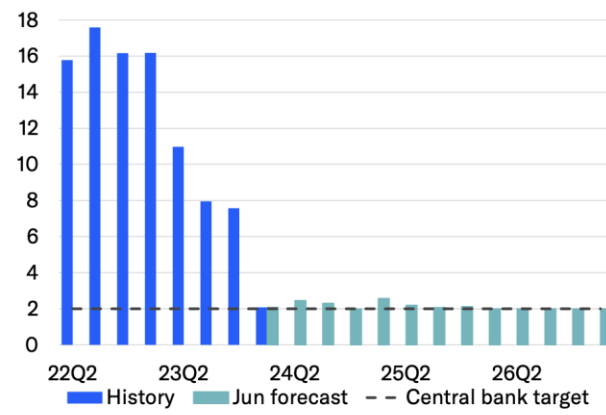
2024



Czechia: GDP, % change yr ago



Czechia: Inflation, % change yr ago



Source: Moody's

The three acquired BMW dealerships cover 10% of BMW new car sales in the Czech Republic

BMW SALES EFFICIENCY

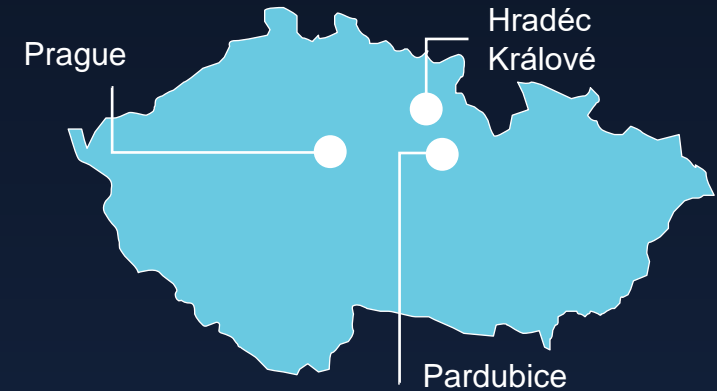
Total
BMW sales
4,652 units



Sales per franchise point

323 units

Significantly higher than
the same metric in several
other regional markets



CURRENT BMW FLEET AND SERVICE

- Current BMW fleet: 180,000 units
- Fleet per service point above the regional average
- Since 2018, the service network has been growing steadily year by year: increasing from 16 points to 23 by 2023.

Chinese manufacturers will continue to gain ground in Europe - amid tightening tariffs and increasing competition

1

The market share of **Chinese-owned** carmakers in Europe reached 5% in 2023 and increased further in the first half of 2024.

2

Chinese manufacturers compete mainly in the **BEV and PHEV segments**, so their share could be a glass ceiling.

3

In these segments, Tesla and the incumbents are trying to strengthen their position, so **competition will be fierce**.

4

For cars produced outside the EU, the EC imposes an extra tariff of **17.4-37.6 percent** above the normal 10 percent.

5

With European production, a significant part (up to 25 percent) of the **cost advantage** of Chinese brands could be **lost**.

6

There will be serious **attrition** and consolidation among Chinese brands - but the winners will gain **long-term positions**.

CHINA 2023

30 million cars produced (12% YoY)
4.9 million cars exported (58% YoY)
GLOBAL: 88 MILLION (34% share)



04

GROWTH AND STRATEGIC GOALS - 2028



Industry trends

1

Customer focus

Omnichannel car buying, digitalisation, personalisation, changing consumer habits

2

Technological development

Green drive chains, connectivity, on-board technologies, self-driving

3

The workforce of the future

Green drive chains, connectivity, on-board technologies, self-driving

4

Strict regulations

Drive chain export deadlines, emission limits, recycling targets, cybersecurity requirements

5

Geopolitical uncertainties

Protective tariffs, geopolitical blocks and regional globalisation trends

6

Supply chain problems

Battery raw materials, transport difficulties, high energy costs

Internal improvements and further acquisitions are needed to exploit the full potential of industry trends

OPPORTUNITIES FOR FURTHER GROWTH

- FURTHER MARKET CONSOLIDATION
- FURTHER REGIONAL EXPANSION
- EXPLOITING THE POTENTIAL OF THE USED CAR SEGMENT
- STRENGTHENING INNOVATIVE MOBILITY SERVICES
- EXPLOITING INTERNAL SYNERGIES AND INCREASING OPERATIONAL EFFICIENCY
- OMNICHANNEL SALES AND THE USE OF CUSTOMER DATA

KEY ELEMENTS OF OUR STRATEGY



Further acquisitions and business development



Developing an organisation that supports growth



Exploiting group synergies and economies of scale



Developing digital skills and data assets

Regional and business diversification for growth

The AutoWallis Group pursues an **active and selective acquisition strategy** in addition to its **organic growth and business development** efforts.

The primary objective of our international growth strategy is to acquire **significant market shares** in the countries of the Central and Eastern European region.

The intensive growth phase lasting until 2026 is expected to be followed by a normalizing growth phase in 2027.



Distribution

Expanding existing brands into new markets

Representing emerging brands in the region



Retail

Independent expansion in strategic brands and markets

Expansion following the wholesale business unit's expansion strategy



Mobility services

Broadening the range of services

Expansion in the markets of our retail business

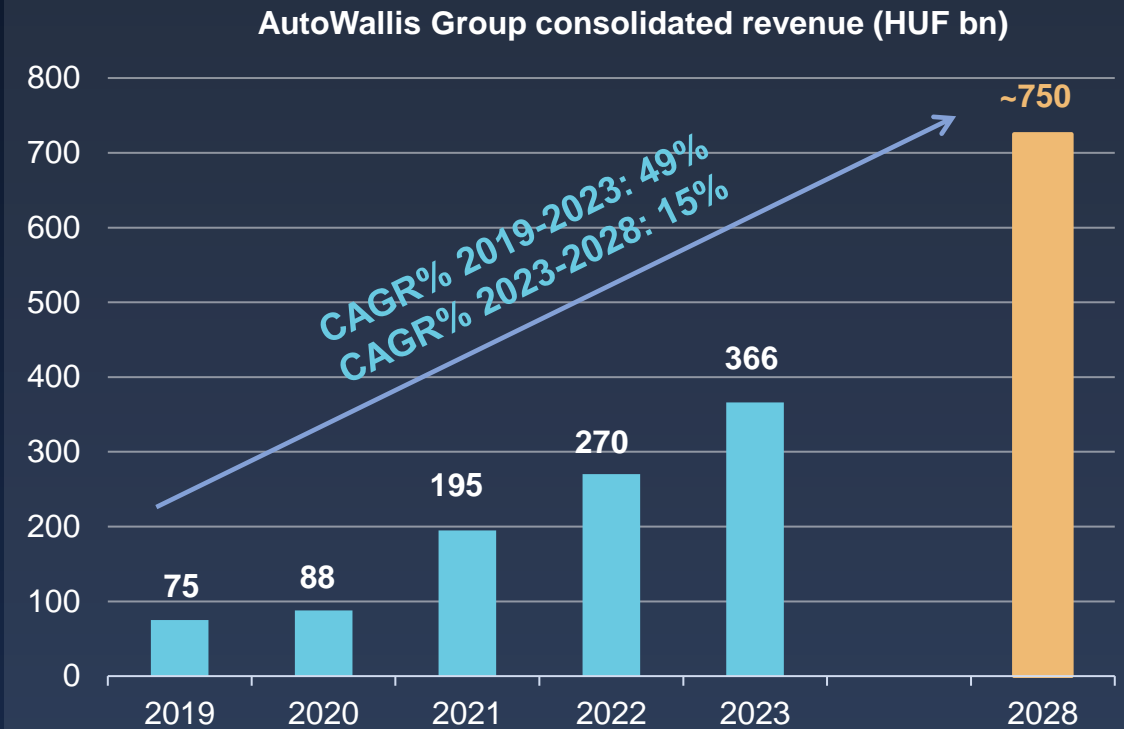
In 2024, we expect to continue having sales figures that significantly exceed last year's, with a goal of doubling revenue by 2028

Based on its updated growth strategy plan, **AutoWallis Group** will more than double its 2023 revenue to ~ HUF 750 billion by 2028, with more than 50 percent of this coming permanently from foreign markets.

With this roadmap, the number of **vehicles sold by the group** could reach ~100 000 units.

DATA (UNITS)	2019	2020	2021	2022	2023	2028 PLAN
Retail business unit	3 044	4 395	8 533	9 129	9 966	~25 000
Distribution business unit	2 964	3 980	16 501	22 174	34 943	~75 000
Total vehicle sales	6 008	8 375	25 034	31 303	44 909	~100 000
Fleet size – in relation to car rental	592	425	603	877	3 979	~10 000

Source: Issuer's own data

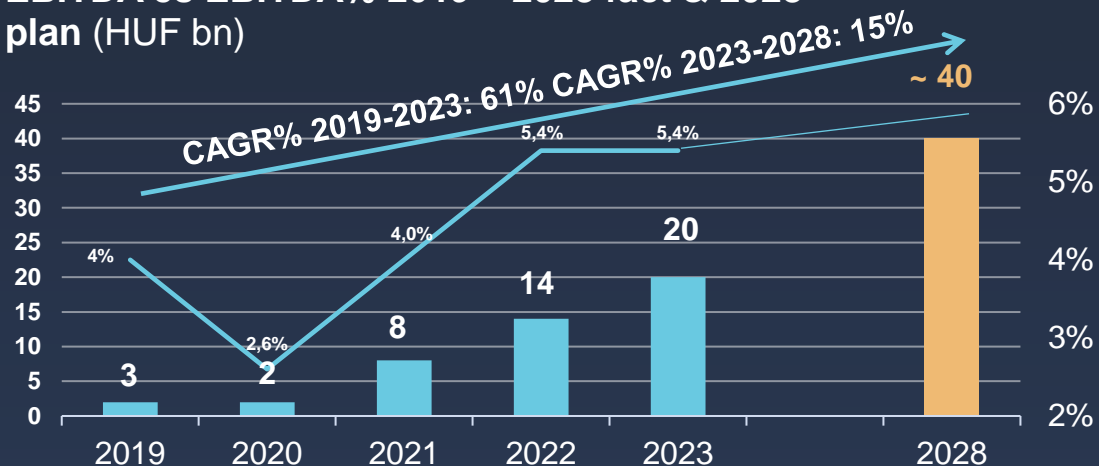


Source: issuer's IFRS annual consolidated accounts and own data;

Note: the plan figures presented exclude the figures for collaborations in the form of joint ventures.

Doubling profit targets alongside improving operational efficiency

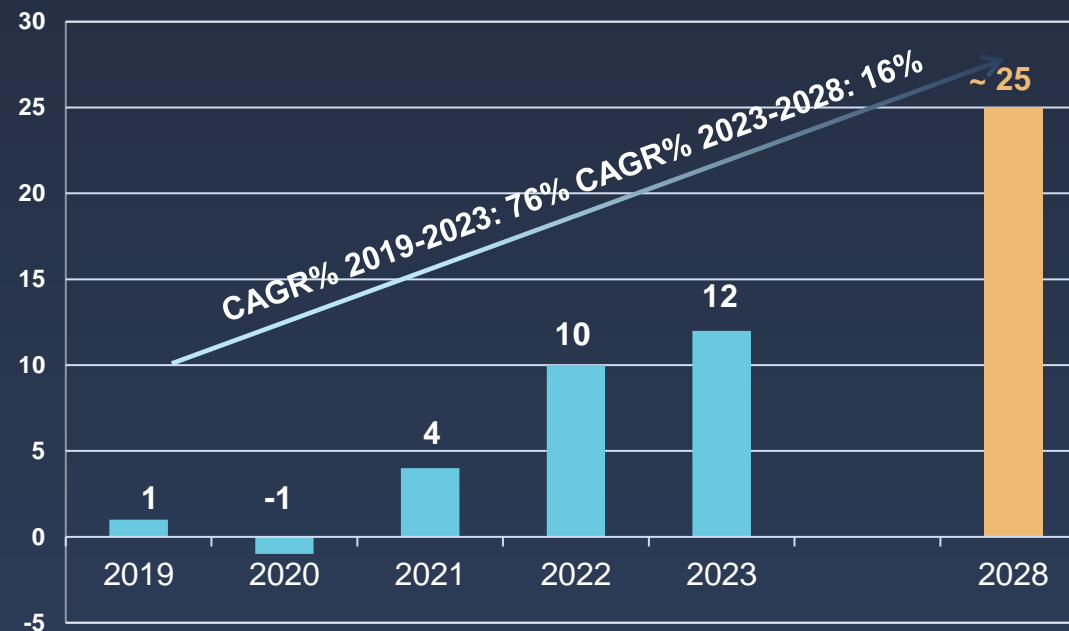
EBITDA és EBITDA% 2019 – 2023 fact & 2028 plan (HUF bn)



Source: issuer's IFRS annual consolidated accounts and own data

An **intensive growth phase until 2026** is followed by a normalising growth phase from 2027. Group **EBITDA** is expected to double in the next 5 years, reaching **HUF ~40 billion**, while **profit before tax** is expected to reach **HUF ~25 billion**.

Profit before tax 2019 – 2023 fact & 2028 plan (HUF bn)



Source: issuer's IFRS annual consolidated accounts and own data



05

CAPITAL MARKET STRATEGY

Our strategic objectives for the capital markets until 2028

FOR THE NEXT FIVE YEARS, NEW CAPITAL MARKET OBJECTIVES AND INSTRUMENTS BECAME NECESSARY

ESG rating

Transforming the green framework, adopting EU taxonomies, new certification

Further broadening of analytical coverage including through the involvement of international analysts

Possibility of issuing foreign currency and / or convertible bonds

Purchase of own shares to satisfy MRP

Broadening the range of international institutional investors



Over the past five years, the AutoWallis Group has significantly transformed its operations, a scale and market capitalisation that puts it on the radar screen of international investors

Dividend policy

AFTER A PERIOD OF INTENSE GROWTH, THE DIVIDEND POLICY SHOULD BE APPROPRIATE TO THE MATURITY OF THE GROUP

We expect a slowdown in consolidation **after 2026**

Diversification and operational improvements **by 2027** project stable growth

No additional capital increase is foreseen in the strategic plan

After the growth phase, **shareholder returns** are expected to be **generated through dividends** in addition to the share price

Management intends to propose predictable, long-term dividend payments from 2027



Our plans for financing the goals outlined in the strategic plan

OUR KEY OBJECTIVE IN OUR INTERNATIONAL GROWTH STRATEGY IS TO ACHIEVE A SIGNIFICANT MARKET SHARE IN THE COUNTRIES OF THE CENTRAL AND EASTERN EUROPEAN REGION.

We plan to supplement our Growth Strategy with the organic development of our existing businesses, alongside two or three transactions each year until 2028.

We do not require additional equity capital to finance our plans

We continue to maintain a diversified financing structure (credit capacity has increased following the capital increase at the beginning of the year)

The planned investment amount by 2028 is approximately 80 billion HUF

We will primarily spend the available and planned resources on the following:

- Further strengthening our business units **through additional acquisitions**
- Further **increasing diversification**
- Supporting synergies through **operational development projects** (e.g., digitalization, multibrand developments).



Capital market events in the last year

SCOPE RATINGS CONFIRMATION

As a recognition of the successful growth strategy, Scope Ratings has reaffirmed the credit rating of AutoWallis Group.

CONCORDE TARGET PRICE OF 230 HUF

In its updated model, Concorde Securities Ltd. raised AutoWallis Group's 12-month target price to 230 HUF. (27. 08. 2024.)

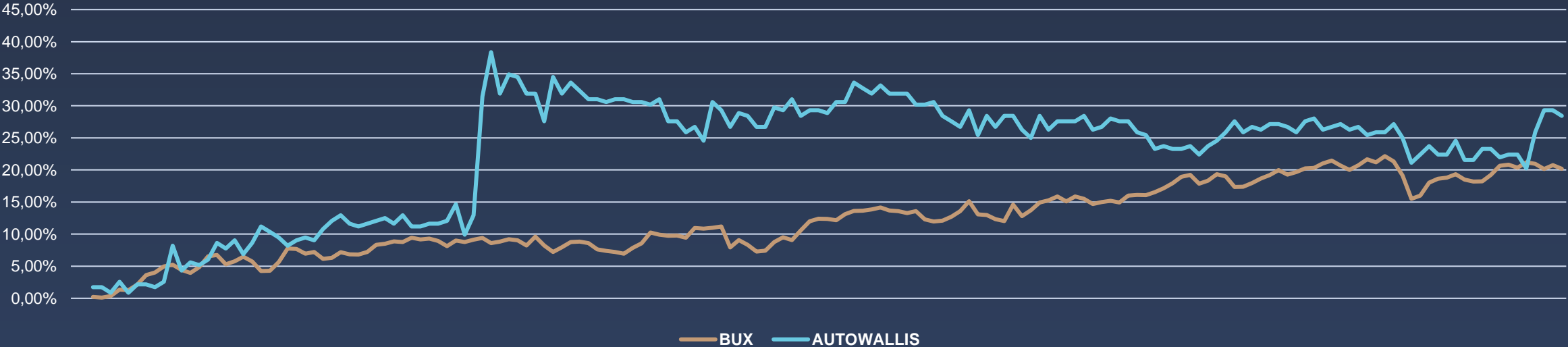
CECE INDEX

In September 2024, we were included in the CECE regional index.

MBH BUY RECOMMENDATION

With a 12-month target price of 223 HUF and buy recommendation, MBH Investment Bank analysts have started tracking shares of AutoWallis Group.

AutoWallis-BUX change from months 1-8 in 2024



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Thank you!

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