

**PRESS RELEASE****AutoWallis takes a big step, bolstering its presence on the Czech retail market with the largest acquisition in its history**

**Budapest, November 15, 2024 – AutoWallis is further strengthening its role as a major regional player by making the largest purchase of its history, having come to an agreement for the acquisition of 100% of the Czech market-based MILAN KRÁL GROUP. In addition to boosting its position on the Czech BMW retail market, the automotive company registered on the Hungarian stock exchange is adding both new brands (Mercedes-Benz, Ford) and new activities (sales and servicing of Mercedes-Benz Truck LGVs) to its portfolio, further increasing and stabilizing its profit generation capabilities through diversification. If competition authority approval is obtained and other conditions are also met, the transaction is expected to close by the end of this year.**

The AutoWallis Group is further strengthening its position as a major regional car sales and mobility service provider with a significant step well aligned with the updated strategy it has announced: it is buying out the MILAN KRÁL GROUP (MILAN KRÁL HOLDING a.s.), which operates on the Czech automotive market, has substantial shares in a number of segments, is managed by experienced professionals, and operates using its own real property. The group, comprised of 6 companies at 5 sites and employing a total of 200 people, including the holding, is the largest acquisition in AutoWallis's history thus far. The transaction further bolsters AutoWallis's presence in a country that is generally more profitable than the Hungarian market and where the number of new vehicles registered in 2023 exceeded 244 thousand, almost double the Hungarian figure. **The significance of the transaction is illustrated by the fact that the 2023 revenue of the MILAN KRÁL GROUP was the equivalent in Czech koruna to HUF 50 billion and its EBITDA was HUF 2.9 billion—it also continually increased its sales in the past 3 years, achieving an EBITDA margin of more than 6% (calculated with Czech rules).** (The AutoWallis Group closed 2023 with revenue of HUF 366 billion and an EBITDA of HUF 20 billion.) As the finalization of the purchase requires the approval of the Czech competition authority and the fulfilment of other closing conditions, it is expected to take place in December 2024. **This is AutoWallis's second acquisition on the Czech retail market: it closed the buyout of Stratos Auto's three BMW dealerships in July, obtaining BMW dealerships in Prague and two other Czech cities.**

**At its headquarters in České Budejovice, located in the southern Czech Republic, the 30-year-old MILAN KRÁL GROUP deals with the sales and repairs of four brands (BMW, Mercedes-Benz, Mercedes-Benz Truck, Ford), the factory-authorized repairs of Opel vehicles, and its own brand of used vehicles (auto.pro.Tebe), in addition to operating its own body shop and paint facilities.** Through the transaction, AutoWallis is, on the one hand, strengthening its current position in the BMW network: its share of the Czech retail market will increase from 13% to 20%; on the other hand, it is adding new brands to its already impressive retail portfolio (taking over a share of more than 6% of the Mercedes-Benz brand on the Czech market), continuing to stabilize its profit generation capabilities through increased diversification. **The third strategic element of purchasing the MILAN KRÁL GROUP is having AutoWallis also acquire new activities: thanks**

to the sales and repairs of the **Mercedes-Benz Truck** brand, it will now have a presence on the regional country's truck market. The long-term development of this activity is supported by the 3400 square meter Mercedes-Benz Truck semi-trailer truck sales point and repair shop that is currently under construction and will be opened in 2025 on a 3.1 hectare area. The integration and smooth operation of the acquired group is guaranteed by the continued work of its 200 employees and experienced management, simultaneously to which work will start to identify synergies within the AutoWallis Group.

**Regarding the acquisition, AutoWallis Group CEO Gábor Ormosy explained that the transaction is a big step well aligned with the strategic targets updated this spring, under which the Group will, after entering the Czech retail market in the summer of 2024, continue to strengthen its position in the country, diversifying its activities and increasing the revenue generated abroad, which already makes up the majority of the Group's revenue. The CEO stressed that they can further increase their ability to generate results and shareholder value not only by market acquisition, but also by exploiting synergies and economies of scale within the Group. He highlighted the fact that an important element of retail growth plan is foreign expansion, thus especially growth in the Czech premium segment, which will now be supported by the current acquisition with the both the BMW and now the Mercedes-Benz brand as well. Based on the AutoWallis Group's updated strategy, AutoWallis's new vehicle sales may exceed 100 thousand units, its revenue HUF 750 billion, and its EBITDA profits HUF 40 billion in 2028, of which the latter two would constitute a doubling of 2023 results.**

#### AutoWallis Group

The AutoWallis Group is listed in the Prime Market of the Budapest Stock Exchange as well as the BUX, BUMIX and CECE indices and is building a major integrated vehicle trading company and mobility service provider in the region. It is important for the company to continuously expand its vehicle trading and mobility service 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 16 countries of the Central and Eastern European region (Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Greece, 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, BYD, Dacia, Isuzu, Farizon, Jaguar, Land Rover, MG, Saab parts, Renault, SsangYong, and Opel brands; the brands represented by its Retail Business Unit include BMW passenger cars and motorcycles, BYD, Dacia, Isuzu, Jaguar, KIA, Land Rover, Maserati, MINI, Nissan, Opel, Peugeot, Renault, SsangYong, Suzuki, Toyota, J6Autók.hu and AUTO-LICIT.HU; and the Mobility Services Business Unit is present on the Hungarian market with the wigo carsharing, wigo fleet, and Sixt rent-a-car brands. AutoWallis is the two-time recipient of the "Share Capital Increase of the Year" award at Best of BSE Award Galas (2020, 2021).



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