

Report of the Board of Directors on the business activities of the Company in 2024 and on the financial position of the Company

As a leading integrated car dealership and mobility service provider in the Central and Eastern European region operating in 16 countries and representing 27 brands, AutoWallis Group earned revenues of over HUF 398 billion, achieving a sales volume above the European and regional averages and an 8% growth in sales.

We celebrated the 5th anniversary of being listed on the stock exchange in 2024. Our growth strategy, announced in 2019, was updated for the second time last year after meeting our previous targets ahead of schedule. Under our revised strategy, we are aiming to achieve revenues of HUF 750 billion by 2028, to double our EBITDA to nearly HUF 40 billion, and to earn a profit before tax of more than HUF 25 billion.

Despite a volatile market and macroeconomic environment, we achieved growth and stable profitability in 2024. Our strong performance is based on AutoWallis Group's updated strategy presented in 2024, which emphasises not only expansion by acquisitions, but also organic growth. This is underpinned by the growth of the brands we represent, the extension of our Opel import agreement covering four countries for another five years at the beginning of the year, the expansion of our SsangYong import agreement to four additional markets, now covering nine regional markets, and our new import agreement signed with Geely Group in March for the distribution of the Farizon brand in eight countries.

Growth was further boosted in the second half of the year by the merger of our mobility services businesses under the brand name wigo, thereby further enhancing operational efficiency, as well as the acquisition of the three BMW dealerships of NC Auto (Stratos) of the Czech Republic completed at the beginning of July.

In December last year, we carried out the largest acquisition in the history of AutoWallis by acquiring 100% of MILAN KRÁL GROUP, also operating in the Czech market. This transaction not only strengthened our position in the Czech BMW retail market, but we also expanded our portfolio to include new brands (Mercedes-Benz and Ford) and new activities (sale and servicing of Mercedes-Benz Truck heavy commercial vehicles), further enhancing our market and brand diversification. The two Czech acquisitions increased the Group's revenue-generating capacity by HUF 60 billion and improved our profitability potential.

According to the Company's standalone IFRS financial statements, profit before tax for 2024 was HUF 7,794 million, with a total comprehensive income of HUF 7,749 million.

Based on the consolidated IFRS financial statements, profit before tax for 2024 was HUF 9,097 million, with a total comprehensive income of HUF 7,480 million. EBITDA amounted to HUF 20,175 million.

In the Company's standalone IFRS financial statements, equity changed from HUF 48,269 million as at 31 December 2023 to HUF 61,477 million as at 31 December 2024, while in the consolidated IFRS financial statements, the value of equity changed from HUF 50,108 million to HUF 62,895 million over the same period.

The Company's standalone IFRS financial statements show a balance sheet total of HUF 84,133 million as at 31 December 2024, while the balance sheet total reported in the consolidated IFRS financial statements was HUF 204,566 million.

Based on the above, we request the Honoured General Meeting to adopt the attached draft resolution.

Budapest, 2 April 2025

AutoWallis
Nyilvánosan Működő Részvénytársaság
Board of Directors

