

PRESS RELEASE

The main owner initiates a share ownership program for the management of AutoWallis, in support of the company's strategic plans

Budapest, August 8, 2019 – The main owner of AutoWallis, Wallis Asset Management, launches an Employee Share Ownership Program (ESOP) tied to reaching certain performance targets, in support of the strategic objectives of the corporation, for which it provides the necessary 7.3% share portfolio free of charge. At the beginning, 25 managers of AutoWallis and its subsidiaries will participate in the program, and they will receive an actual share when meeting the profitability targets set within the program.

Wallis Asset Management Zrt. (WAM), the main owner of AutoWallis, a company listed in the Premium category of the Budapest Stock Exchange, has decided to launch an Employee Share Ownership Program (ESOP) for the managers of the corporation and its subsidiaries (the Group). **The program means no extra expenses or obligations for the company (including the other owners) – besides the operating of the ESOP organization –, as the 7.3% (19,871,831-piece) share portfolio necessary for launching the program is provided by WAM free of charge.** At the beginning, 25 managers of the Group will take part in the 2 and 3 years long programs, who will only receive their AutoWallis shares (and the related dividends paid up until then), if the profitability targets derived from the long-term strategy are met, contributing to the long-term commitment of the management to increasing the share value. **In May, AutoWallis presented its strategy for the years until 2024 and its vision for 2029, in which it calculates with a robust growth of the company for the next 10 years, while its objective is to become a major mobility service provider of the Central and Eastern European region.** The company counts on an organic growth until 2024, with the quadrupling of the EBITDA (earnings before interest, tax, depreciation and amortization), the doubling of its revenue, and an even more significant growth considering the possible acquisitions. The planned acquisitions could further improve the performance, which the company is planning to use also for paying a dividend.

The main owner of AutoWallis had indicated earlier that it had wished to promote this strategy in several ways, with the aim of considerably increasing the shareholder value. For this end, WAM has decided to hand over a share portfolio worth more than HUF 2.2 billion to the AutoWallis ESOP program free of charge, aiming to provide an incentive for the employees without burdening the other shareholders in any way. **WAM had also memorably committed itself to return the dividends eventually to be paid by AutoWallis to the corporation, as far as it is necessary for financing the subsequent growth, and acquisitions.**

As Gábor Ormosy, Chief Executive Officer of AutoWallis explained in connection with launching the ESOP, the program shall be operated by a dedicated ESOP organization independent from the company. The participants may only acquire shares if the predetermined targets are met, and they may only sell these under strict rules and following a set schedule, but no sooner than 2, or 3 years later, when the programs expire. The CEO added that the ESOP is an effective asset for supporting the realization of the published strategy, and it means further motivation for reaching the set goals.

AutoWallis Plc.

AutoWallis Plc., 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 mobility service provider in the Central and Eastern European region by 2029. By 2024, the company is planning to double its 2018 consolidated revenue of HUF 65.5 billion calculated on the basis of IFRS (International Financial Reporting



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Standard) standards, which it hopes to achieve primarily via its organic growth. In addition, the company intends to operate as an asset management company that represents a traditional, conservative business policy through the continuous, acquisition-based expansion of its portfolio focusing on automotive investments. The AutoWallis Group is present in 14 countries of the Central and Eastern European region (Albania, 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 includes Wallis Automotive Europe, Wallis Motor Pest, Wallis Motor Duna and Wallis Autókölcsönző. The vehicles represented by the group include BMW cars and motorbikes, Saab spare vehicle parts, as well as the following brands: MINI, Isuzu, Jaguar, Land Rover, Maserati, Ssangyong, and Sixt rent-a-car. Out of these, BMW holds a dominant position in the premium car market, while Sixt is a leader in the car rental market. www.autowallis.hu

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