

PRESS RELEASE

The main owner supports the management of AutoWallis via company shares if the strategic goals are reached

Budapest, October 28, 2019 – The main owner of AutoWallis encourages the realization of the corporation’s strategy announced in spring by launching an Employee Share Ownership Plan (ESOP). The necessary 7.35% share portfolio has been provided by Wallis Asset Management free of charge. The management of AutoWallis and its subsidiaries can only receive the shares, if the profitability targets are met.

In August, Wallis Asset Management Zrt. (WAM), the main owner of AutoWallis, 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 institutional and private investors outside of WAM) – besides the operational costs of the ESOP organization –, as the 7.35% (19,890,331-piece) share portfolio necessary for launching the program has been handed over by WAM free of charge (resulting in a decrease of its share to 72.36%). **Thus, AutoWallis motivates the employees and the management of the Group from the received resources and not on its own expense**, so the ESOP increases the shareholder value not only directly but also indirectly via its incentive effect. **At the beginning, 24 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 achievement targets derived from the long-term strategy are met, contributing to the long-term increase of the share value.** The program shall be operated by an ESOP organization independent from the company. The ESOP is an effective asset for supporting the realization of the strategy, and it means further motivation for reaching the set goals.

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 main owner of AutoWallis had indicated earlier that it would promote the realization of this strategy in several ways, and its aim is to considerably increase the shareholder value. **Besides supporting the ESOP program, WAM had also memorably committed itself to repay to the corporation in the form of a capital increase those dividends to be paid by AutoWallis that would be necessary for financing the subsequent growth and acquisitions.**

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 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 Autókölcsonzó. 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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