

PRESS RELEASE

AutoWallis Sales Report *

Q1-Q3, 2020

AutoWallis: Growth despite market turbulence

Budapest, November 2, 2020 – The domestic business unit of AutoWallis saw a rebound to growth in the third quarter: new vehicle sales within Hungary were up by 19%. The group’s performance on international markets yielded even better results, with an increase of 27% in the number of new vehicles sold. Domestic and international sales together thus accounted for an accumulated increase of 22%. This is comparable to the growth dynamics experienced prior to the downturn brought about by the coronavirus, and signals growth even without the impact of business developments and acquisitions carried out this year. The automotive services business unit managed to compensate with the help of transactions for the setback in repair and maintenance services caused by second quarter lockdowns, leading to an accumulated growth of 10% for the first three quarters. Results for the first nine months partially reflect some of the six significant transactions of the year, but their full impact will only show in the 2021 figures.

With AutoWallis reporting positive trends for the third quarter in all areas apart from car rentals, the Budapest Stock Exchange automotive company has again neared and in several measures even surpassed the growth rate characterizing the period before the coronavirus-induced stalling of the economy. Car rentals are still being affected by the adverse economic effects of the coronavirus due to the dramatic decline in tourism and business travel. **Gábor Ormosy, the CEO of AutoWallis, mentioned that the management of the group’s subsidiaries adjusted their capacities to the temporary changes in the business environment as much as possible. At the same time, they were prepared to meet new or postponed demands emerging with the recovery of the economy, whose signs were already noticeable in the third quarter in the number of purchases from stock and delayed repair and maintenance services now being performed. The CEO added that the third quarter also saw organic growth, as a result of which domestic and international sales figures for the first nine months of the year reached a total increase of 19–27% year-on-year, while service utilization rose by 10%. Gábor Ormosy pointed out that AutoWallis continued its business development efforts in this period. As a result, altogether six domestic and regional acquisitions were announced, out of which the acquisitions of Inicial Autóház and Wallis Kerepesi are already partially reflected in the current data. However, the positive impacts of all acquisitions will only fully show in the 2021 figures.**

Partly due to its expanding markets and changing model portfolio, the group’s **International Distribution Business Unit** increased new vehicle sales by 26.6% to 1,963 in the first nine months of the year compared to last year. New vehicle sales at the **Domestic Distribution Business Unit** enjoyed a substantial upswing, resulting in an increase of 19% to 2,775, which is significantly better than the 15% shrinking of the Hungarian market (source: DataHouse). The **Automotive Services Business Unit** still had to face the negative effects brought on car rentals by the significant fall in tourism and business travel, but the management of the unit made every effort to adjust operations to the changed circumstances. Consequently, the size of the available rental fleet was decreased by 26.2% to 437, with some vehicles being utilized for alternative purposes (e.g. courier services), and with part of the fleet being leased long-term. In contrast, the third quarter performance of repair and

maintenance services, together with the impact of transactions, completely made up for the downturn experienced in the first six months of the year: the number of service hours increased by 10% in the first nine months, which translates into a total of 41,733 service hours provided to partners of the group.

	Q1-Q3 2020	Q1-Q3 2019	Changes
International Distribution Business Unit			
Number of new vehicles sold (pcs.)	1 963	1 551	+26,6%
Domestic Distribution Business Unit			
Number of new vehicles sold (pcs.)	2 775	2 332	+19,0%
Number of used vehicles sold (pcs.)	778	651	+19,5%
<i>International + Domestic Distribution Business Unit - new vehicles (pcs.)</i>	4 738	3 883	+22,0%
<i>International + Domestic Distribution Business Unit - total (pcs.)</i>	5 516	4 534	+21,7%
Automotive Services Business Unit			
Number of service hours (hours)	41 733	37 943	+10,0%
Rental Fleet Size (pcs.)	437	592	-26,2%
Number of rental events (pcs.)	6 976	19 177	-63,6%
Number of rental days (pcs.)	61 228	109 530	-44,1%

*** Important information:**

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Preliminary, non-consolidated data.

The data published in the AutoWallis Sales Report (hereinafter referred to as "Data") are compiled based on the estimates of AutoWallis Plc. and its subsidiaries. The published Data are solely for informational purposes; AutoWallis Plc. assumes no liability for their completeness or accuracy.

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The AutoWallis Plc. Sales Report is published on the last day of the month following each quarter (should it fall on a weekend or bank holiday, it is published on the next business day).

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 British Motors, Wallis Motor Pest, Wallis Motor Duna, Wallis Kerepesi, Wallis Autókölcsház, as well as Inicial Autóház. The brands represented by the group include BMW cars and motorbikes, Citroën, Dacia, Isuzu, Jaguar, Land Rover, Maserati, MINI, Nissan, Opel, Peugeot, Renault, SsangYong, Suzuki, and Toyota, as well as Saab spare vehicle parts, and Sixt rent-a-car. www.autowallis.hu

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