

## EXTRAORDINARY ANNOUNCEMENT ON CAPITAL INCREASE

In accordance with Section 55 of Act CXX of 2001 on the Capital Market and Schedule No. 4 to PM Decree No. 24/2008. (VIII. 15.), AutoWallis Nyilvánosan Működő Részvénytársaság (registered seat: 1055 Budapest, Honvéd utca 20., company registration number: 01-10-047350, hereinafter: Company) hereby informs its investors about the following matters:

Based on the authorisation granted by Resolution No. 2/2020. (XI. 30.) of the Board of Directors (adopted in its capacity as the general meeting), the Company's Board of Directors resolved to increase the Company's registered capital by issuing new shares.

The preferential right of the Company's shareholders for the receipt of shares under Section 3:297 (2) of the Civil Code was excluded by the Board of Directors on the basis of the authorisation granted by Resolution No. 2/2020. (XI. 30.) of the Board of Directors, adopted in its capacity as the general meeting, with the following reasoning:

Up to 16.5 million units of shares to be issued are exempted from the obligation to publish a prospectus pursuant to Article 1(5)a) of Regulation (EU) 2017/1129 (Prospectus Regulation). Having regard to the excess demand gauged during the course of market sounding and the admission to trading on a regulated market, the Board of Directors is able to ensure that the capital increase will take place this year through the exclusion of preferential subscription. Not issuing an admission prospectus and the completion of the capital increase this year through the selected institutional investors are factors which are in the Issuer's business interest; however, these would only be possible if the offer was made to less than 150 investors, and this statutory requirement cannot be fulfilled as we currently have over two thousand shareholders.

To express its gratitude for the trust of the existing shareholders, the Board of Directors will also make preparations for proposing a public offering of shares in the near future where existing shareholders will possess a preferential subscription right and the Issuer will provide an opportunity to all of its shareholders to subscribe for shares.

As part of the capital increase, the Company will issue a total of 16,501,487 units of new series "C" dematerialised ordinary name shares with a face value of HUF 12.5 and an issue price of HUF 83 each through private placement in exchange for cash contribution based on the final commitment letters for the receipt of the given shares, which were submitted to the Company by three institutional investors in the course of private negotiations.

The issue price of HUF 83 per unit of the shares to be issued was determined on the basis of fair market negotiations with the subscribers (investors) and is approximately equal to the average price on the stock exchange for a period of 30 days preceding the date of the binding offer (HUF 82.95 per unit).



As a result of the above, the Company's registered capital will increase by HUF 206,268,587.5 from HUF 3,847,652,425 to HUF 4,053,921,012.5, while the number of ordinary shares will increase from 307,812,194 units to 324,313,681 units.

The proceedings relating to the creation and registration of the shares through KELER and the registry court are in progress, and the shares will be admitted to trading on the regulated market of the Budapest Stock Exchange by the Company once the issue is successfully completed.

We would like to draw our shareholders' attention to the fact that, as a result of the capital increase, the percentages of the voting rights that can be exercised through the shares will change, which may give rise to a reporting obligation for shareholders in accordance with Section 61 of Act CXX of 2001 on the Capital Market.

Budapest, 17 December 2020

