

# **PROPOSAL**

for the

## **MEETING OF THE BOARD OF DIRECTORS**

of AutoWallis Nyilvánosan Működő Részvénytársaság

(acting in its capacity as the general meeting)

to be held on 7 April 2021

### **Agenda item 1**

**Subject:** Report of the Board of Directors on the business activities of the Company in 2020, and the financial position of the Company

## Report of the Board of Directors on the Company's business activity for 2020 and the Company's financial position

There were significant changes in the operation of AutoWallis during financial year 2020. 2020 was a year full of challenges, primarily due to the negative economic impacts of the COVID-19 pandemic. However, the business figures of AutoWallis and the six significant business development projects and acquisitions announced during 2020 demonstrate that organic growth and expansion by acquisition are possible even in such an adverse environment. Thanks to significant interest, the bond issue of AutoWallis under the Bond Funding for Growth Scheme ended with oversubscription in April, and the bonds, which have a total face value of HUF 3 billion, were transferred in October. In order to finance its plans for growth, the Company carried out a capital increase by way of a private placement for HUF 1.4 billion in December with the involvement of three well-known Hungarian institutional investors.

Both separate IFRS financial statements and consolidated IFRS financial statements were prepared for the financial year 2020.

According to the Company's separate IFRS financial statements, the pre-tax profit for 2020 was thHUF 912,036, while the overall profit or loss was a profit of thHUF 910,530.

According to the consolidated IFRS financial statements, the pre-tax profit for 2020 was a loss of thHUF 410,497, and the overall profit or loss was a loss of thHUF -658,135. EBITDA was at thHUF 2,139,482.

The Company's equity according to the separate IFRS financial statements increased from thHUF 16,463,427 as at 31 December 2019 to thHUF 21,056,508. The amount of equity according to the consolidated IFRS financial statements changed from thHUF 5,105,346 to thHUF 9,177,911 as at 31 December 2020.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**Resolution no. .../2021. (IV. 07.) of the Board of Directors  
of AutoWallis Nyilvánosan Működő Részvénytársaság,  
adopted in its capacity as the general meeting  
at its meeting held on 7 April 2021**

The Board of Directors approves the report of the Board of Directors on the business activities of the Company in 2020 and the financial position of the Company in accordance with the proposal.

Budapest, 7 April 2021

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Authenticator of the minutes

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Keeper of the minutes

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Chairman of the meeting

# **PROPOSAL**

for the

## **MEETING OF THE BOARD OF DIRECTORS**

of AutoWallis Nyilvánosan Működő Részvénytársaság

(acting in its capacity as the general meeting)

to be held on 7 April 2021

### **Agenda item 2**

**Subject:** Supervisory Board report on the 2020 annual reports prepared in accordance with the IFRS and on its proposal for the appropriation of taxed profits

Report of the Company's Supervisory Board on the Company's IFRS financial statements for 2020 and the proposal for the distribution of the Company's after-tax profit

In line with the corporate governance recommendations of the Budapest Stock Exchange, the Supervisory Board has evaluated its work for the year. In doing so, the Supervisory Board established that it had held five meetings during 2020 with an attendance of 100% on each occasion and, accordingly, all of its meetings were quorate. The Supervisory Board established that its activities during the year were successful and were in accordance with the legal and professional requirements.

There was no need to convene an extraordinary meeting of the Supervisory Board, and the Supervisory Board did not identify any events which would necessitate an extraordinary audit.

The Chairman and members of the Supervisory Board attended the meetings of the Board of Directors on several occasions by invitation. No shareholder statements were submitted during 2020, and the Supervisory Board was not required to formulate an opinion on such issues.

The Supervisory Board discussed the report of the Board of Directors on the Company's business activity for 2020 and the Company's financial position. The Supervisory Board is of the opinion that the Company's business activity for 2020 was in compliance with the laws as well as the resolutions adopted by the Company's main governing body. Based on the above, the Supervisory Board hereby submits the IFRS financial statements to the general meeting for approval, with a balance sheet total of thHUF 24,274,259, an equity of thHUF 21,056,508, an overall profit or loss of thHUF 910,530 and dividends of thHUF 0 according to the separate IFRS financial statements, and with a balance sheet total of thHUF 57,762,990, an equity of thHUF 9,177,911, and an overall profit or loss of thHUF -658,135 according to the consolidated IFRS financial statements.

Ifj. Chikán Attila, Chairman of the Supervisory Board

Based on the above, the Chairman of the Board of Directors hereby requests the members of the Board of Directors to approve the attached draft resolution.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**Resolution no. .../2021. (IV. 07.) of the Board of Directors  
of AutoWallis Nyilvánosan Működő Részvénytársaság,  
adopted in its capacity as the general meeting  
at its meeting held on 7 April 2021**

The Board of Directors approves the report of the Supervisory Board on the Company's 2020 annual reports in accordance with IFRS, as well as the proposal for the appropriation of taxed profits.

Budapest, 7 April 2021

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Authenticator of the minutes

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Keeper of the minutes

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Chairman of the meeting

**PROPOSAL**

for the

**MEETING OF THE BOARD OF DIRECTORS**

of AutoWallis Nyilvánosan Működő Részvénytársaság

(acting in its capacity as the general meeting)

to be held on 7 April 2021

**Agenda item 3**

**Subject:** Audit Committee report on the 2020 annual reports prepared in accordance with the IFRS and on the proposal for the appropriation of taxed profits

Report of the Company's Audit Committee on the Company's IFRS financial statements for 2020 and the proposal for the distribution of the Company's after-tax profit

In line with the corporate governance recommendations of the Budapest Stock Exchange, the Audit Committee has evaluated its work for the year. In doing so, the Audit Committee established that in 2020 it had complied with its regular obligations set forth in the Civil Code. There was no need to convene an extraordinary meeting of the Audit Committee, and the Audit Committee did not identify any events which would necessitate an extraordinary audit.

The Audit Committee had held four meetings during 2020 with an attendance of 100% on each occasion, and all of its meetings were quorate. The Audit Committee established that its activities during the year were successful and were in accordance with the legal and professional requirements.

The Company's operations during financial year 2020 were in order. The independent auditor reviewed the Company's financial statements and is of the opinion that the financial statements provide a true and fair view of the Company's assets and financial position as at 31 December 2020 and its profitability for the financial year then ended, in accordance with IFRSs.

The Audit Committee proposes that the proposed financial statements be approved by the general meeting.

Ifj. Chikán Attila, Chairman of the Audit Committee

Based on the above, the Chairman of the Board of Directors hereby requests the members of the Board of Directors to approve the attached draft resolution.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**Resolution no. .../2021. (IV. 07.) of the Board of Directors  
of AutoWallis Nyilvánosan Működő Részvénytársaság,  
adopted in its capacity as the general meeting  
at its meeting held on 7 April 2021**

The Board of Directors approves the report of the Audit Committee on the Company's 2020 annual reports in accordance with IFRS, as well as the proposal for the appropriation of taxed profits.

Budapest, 7 April 2021

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Authenticator of the minutes

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Keeper of the minutes

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Chairman of the meeting

# PROPOSAL

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## MEETING OF THE BOARD OF DIRECTORS

of AutoWallis Nyilvánosan Működő Részvénytársaság

(acting in its capacity as the general meeting)

to be held on 7 April 2021

### Agenda item 4

**Subject:** Auditor's report on the results of the audit of the 2020 annual reports prepared in accordance with the IFRS and on the proposal of the Board of Directors for the appropriation of taxed profits

The Company's auditor, HADRIANUS Számviteli Szolgáltató és Tanácsadó Korlátolt Felelősségű Társaság (registered office: HU-2083 Solymár, Árok u. 21/B, company registration number: 13-09-066397) has prepared its report on the results of its 2020 IFRS annual reports audit and on the proposal of the Board of Directors for the appropriation of taxed profits. The report constitutes an annex to this Proposal and is available in its entirety on the Company's website ([www.autowallis.hu](http://www.autowallis.hu)), on the website of Budapesti Értéktőzsde Zrt. ([www.bet.hu](http://www.bet.hu)) and on the information storage system operated by the MNB ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)).

Based on the above, the Chairman of the Board of Directors hereby requests the members of the Board of Directors to approve the attached draft resolution.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**Resolution no. .../2021. (IV. 07.) of the Board of Directors  
of AutoWallis Nyilvánosan Működő Részvénytársaság,  
adopted in its capacity as the general meeting  
at its meeting held on 7 April 2021**

The Board of Directors approves the auditor's report on the results of the audit of the 2020 annual reports in accordance with IFRS and the proposal of the Board of Directors for the appropriation of taxed profits in accordance with the annex to the proposal.

Budapest, 7 April 2021

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Authenticator of the minutes

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Keeper of the minutes

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Chairman of the meeting

**PROPOSAL**

for the

**MEETING OF THE BOARD OF DIRECTORS**

of AutoWallis Nyilvánosan Működő Részvénytársaság

(acting in its capacity as the general meeting)

to be held on 7 April 2021

**Agenda item 5**

**Subject:** Approval of the 2020 annual reports prepared in accordance with the IFRS

The Company has prepared its separate and consolidated annual reports for 2020 in accordance with the IFRS, which constitute an annex to this Proposal and are available in their entirety on the Company's website ([www.autowallis.hu](http://www.autowallis.hu)), the website of Budapesti Értéktőzsde Zrt. ([www.bet.hu](http://www.bet.hu)), and on the information storage system operated by the MNB ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)). The Board of Directors of the Company informs the General Meeting that, simultaneously with the consolidated financial statements prepared in accordance with the IFRS, it has prepared - for information purposes - the accounting document containing the accounting parent company members of the reverse acquisition taking place at the Company. This statement is for information purposes only and has not been audited.

Based on the above, the Chairman of the Board of Directors hereby requests the members of the Board of Directors to approve the attached draft resolution.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**Resolution no. .../2021. (IV. 07.) of the Board of Directors  
of AutoWallis Nyilvánosan Működő Részvénytársaság,  
adopted in its capacity as the general meeting  
at its meeting held on 7 April 2021**

The Board of Directors approves the separate annual report of the Company for 2020 according to the IFRS with the balance sheet total of th HUF 24,274,259, equity of th HUF 21,056,508 and total comprehensive income of th HUF 910,530 in accordance with the annex to the proposal.

The Board of Directors approves the consolidated annual report of the Company for 2020 in accordance with IFRS with a balance sheet total of th HUF 57,762,990, equity of th HUF 9,177,911 and a total comprehensive income of th HUF -658,135 in accordance with the annex to the proposal.

Budapest, 7 April 2021

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Authenticator of the minutes

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Keeper of the minutes

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Chairman of the meeting

**PROPOSAL**

for the

**MEETING OF THE BOARD OF DIRECTORS**

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to be held on 7 April 2021

**Agenda item 6**

**Subject:** Decision on the appropriation of taxed profits and the approval of dividends

Based on the profit reserve according to the reports to be approved under agenda item 5 and dividend to be paid to the Company by the subsidiaries (Iniciál Autóház Kft and Wallis Kerepesi úti Autó Kft), the profit reserve available to the Company for dividend payment (with respect to retained earnings and the purchase of treasury shares) is HUF 386 million.

The Board of Directors proposes that the General Meeting decide that the Company will not pay dividends for 2020 in order to build up reserves against the economic uncertainty caused by the Covid-19 epidemic and to implement the Group's growth strategy. Profit not paid as dividends is reclassified to retained earnings.

Based on the above, the Chairman of the Board of Directors hereby requests the members of the Board of Directors to approve the attached draft resolution.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**Resolution no. .../2021. (IV. 07.) of the Board of Directors  
of AutoWallis Nyilvánosan Működő Részvénytársaság,  
adopted in its capacity as the general meeting  
at its meeting held on 7 April 2021**

The Board of Directors approved the recommendation for the appropriation of taxed profits and the dividend according to the proposal.

Budapest, 7 April 2021

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Authenticator of the minutes

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Keeper of the minutes

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Chairman of the meeting

**PROPOSAL**

for the

**MEETING OF THE BOARD OF DIRECTORS**

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(acting in its capacity as the general meeting)

to be held on 7 April 2021

**Agenda item 7**

**Subject:** Approval of the 2020 Corporate Governance Report

The Board of Directors of the Company prepared the Corporate Governance Report for 2020, which constitutes an annex to this Proposal and is available in its entirety on the Company's website ([www.autowallis.hu](http://www.autowallis.hu)), on the website of Budapesti Értéktőzsde Zrt. ([www.bet.hu](http://www.bet.hu)) and on the information storage system operated by the MNB ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)). The Supervisory Board approved the 2020 Corporate Governance Report in advance.

Based on the above, the Chairman of the Board of Directors hereby requests the members of the Board of Directors to approve the attached draft resolution.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**Resolution no. .../2021. (IV. 07.) of the Board of Directors  
of AutoWallis Nyilvánosan Működő Részvénytársaság,  
adopted in its capacity as the general meeting  
at its meeting held on 7 April 2021**

The Board of Directors approves the Corporate Governance Report of the Company for 2020 in accordance with the annex to the proposal.

Budapest, 7 April 2021

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Authenticator of the minutes

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Keeper of the minutes

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Chairman of the meeting

**PROPOSAL**

for the

**MEETING OF THE BOARD OF DIRECTORS**

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(acting in its capacity as the general meeting)

to be held on 7 April 2021

**Agenda item 8**

**Subject:** Evaluation of the activities of the Board of Directors in the 2020 financial year; decision on the granting of the hold-harmless warrant

Pursuant to Section 9.1 (3) of the Company's Articles of Association, the General Meeting of the Company is obliged to put on the agenda of the Annual Ordinary General Meeting the evaluation of the work of the Board of Directors in the previous financial year and the decision for granting them a hold-harmless warrant. Simultaneously with the granting of the hold-harmless warrant, the General Meeting confirms that the Board of Directors performed its work during the evaluated period with the priority of the interests of the Company in mind.

Based on the above, the Chairman of the Board of Directors hereby requests the members of the Board of Directors to approve the attached draft resolution.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**Resolution no. .../2021. (IV. 07.) of the Board of Directors  
of AutoWallis Nyilvánosan Működő Részvénytársaság,  
adopted in its capacity as the general meeting  
at its meeting held on 7 April 2021**

The Board of Directors considers the activities and management activities of the Board of Directors of the Company in the financial year 2019 to be adequate and grants a hold-harmless warrant pursuant to Section 3:117 (1) of Act V of 2013 on the Civil Code (hereinafter: 'Civil Code').

Budapest, 7 April 2021

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Authenticator of the minutes

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Keeper of the minutes

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Chairman of the meeting

**PROPOSAL**

for the

**MEETING OF THE BOARD OF DIRECTORS**

of AutoWallis Nyilvánosan Működő Részvénytársaság

(acting in its capacity as the general meeting)

to be held on 7 April 2021

**Agenda item 9**

**Subject:** Preliminary approval of a bond issue in accordance with Section 9.26 of the Statutes

Thanks to significant interest, the bond issue of AutoWallis under the Bond Funding for Growth Scheme ended with oversubscription in April 2020, and the bonds, which have a total face value of HUF 3 billion, were transferred in October 2020.

Pursuant to Section 9.26 of the Statutes, bond issues (i.e. the issue of debt securities) where the principal amount exceeds HUF 10 billion or new bond issues which would cause the aggregate principal amount of debt from previously issued bonds that have not yet matured to exceed HUF 10 billion may be launched by the Board of Directors only if a preliminary approval has been granted by the general meeting.

The Company is planning an additional bond issue in one or more tranches, as a result of which the aggregate principal amount of debt from bonds that have not yet matured would exceed HUF 10 billion.

Having regard to the above, the Company proposes that a preliminary approval of the additional bond issue outlined above be granted by the Board of Directors, acting in its capacity as the general meeting, for a principal amount of up to HUF 25 billion, which includes the bond issue of HUF 3 billion which has already been completed.

Based on the above, the Chairman of the Board of Directors hereby requests the members of the Board of Directors to approve the attached draft resolution.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**Resolution no. .../2021. (IV. 07.) of the Board of Directors  
of AutoWallis Nyilvánosan Működő Részvénytársaság,  
adopted in its capacity as the general meeting  
at its meeting held on 7 April 2021**

In accordance with Section 9.26 of the Company's Statutes, the Board of Directors hereby grants the Board of Directors a preliminary approval to complete one or more additional bond issues in one or more tranches, subject to the terms set out by the Board of Directors, provided that the principal amount of the bonds that have not yet matured do not exceed HUF 25 billion at any point in time (which includes the bond issue of HUF 3 billion that has already been completed, as well as any additional bond issues).

Budapest, 7 April 2021

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Authenticator of the minutes

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Keeper of the minutes

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Chairman of the meeting

**PROPOSAL**

for the

**MEETING OF THE BOARD OF DIRECTORS**

of AutoWallis Nyilvánosan Működő Részvénytársaság

(acting in its capacity as the general meeting)

to be held on 7 April 2021

**Agenda item 10**

**Subject:** Appointment of a new auditor

The Company proposes that the following firm and the following person responsible for the audit be appointed by the Board of Directors as the Company's auditor for the period from 7 April 2021, i.e. the date of the meeting of the Board of Directors in its capacity as the general meeting, until the date of the general meeting that closes the financial year 2023, but until 30 June 2024 at the latest:

- Company name of the auditor: PricewaterhouseCoopers Könyvvizsgáló Kft.
- Registered seat of the auditor: 1055 Budapest, Bajcsy-Zsilinszky út 78.
- Company registration number of the auditor: Cg. 01 09 961102
- Membership number in the Chamber of Hungarian Auditors: 001464
- Name of the person responsible for the audit: Biczó Péter
  - Mother's maiden name: Silber Judit Veronika
  - Home address: 1158 Budapest, Klebelsberg Kunó utca 84.
  - Membership number in the Chamber of Hungarian Auditors: 004957

The Company proposes that the fundamental terms and conditions for the contract to be concluded with the above auditor be set out as follows:

- Duration of the contract: from 7 April 2021 until the date of the ordinary General Meeting that closes the financial year 2023, but until 30 June 2024 at the latest
- Engagement fee:
  - Total sum for the audit of the Company's separate and consolidated financial statements: HUF 14,000,000, i.e. [fourteen million forints] plus VAT
  - Out-of-pocket expenses: no more than 5% of the annual engagement fee plus VAT
  - Payment schedule for the engagement fee:
    - 10% when the contract is signed
    - 30% in October 2021
    - 30% in December 2021
    - 20% in February 2022
    - 10% when the report is issued, but no later than March 2022
- In accordance with Section 11.3 of the Statutes, the Company's Audit Committee has endorsed the appointment of the above audit firm and person responsible for the audit, as well as the terms and conditions of the contract to be concluded with them, including the fee.

Based on the above, the Chairman of the Board of Directors hereby requests the members of the Board of Directors to approve the attached draft resolution.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors

**PROPOSAL**

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**MEETING OF THE BOARD OF DIRECTORS**

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(acting in its capacity as the general meeting)

to be held on 7 April 2021

**Agenda item 11**

**Subject:** Miscellaneous

The Board of Directors proposes that the General Meeting discuss other issues, remarks and recommendations raised by the shareholders participating in the General Meeting under the agenda item 'Miscellaneous'.

No resolution is adopted following the discussion of the agenda item.

Budapest, 30 March 2021

**AutoWallis**  
**Nyilvánosan Működő Részvénytársaság**  
Müllner Zsolt  
Chairman of the Board of Directors