



# AutoWallis Group Investor Day

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**We are building the leading car dealership and  
mobility service provider in the Central and  
Eastern European region**

September 25, 2024





## Agenda

- 01 Recent achievements
- 02 Results of the first half of 2024
- 03 Market updates
- 04 Growth and strategic goals - 2028
- 05 Capital market strategy



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OUR LATEST ACHIEVEMENTS

# Our latest achievements

	<p>We have <b>extended our importer agreement with Opel</b> for another <b>5 years in 4 countries</b></p>		<ul style="list-style-type: none"> <li>• We have published our <b>updated strategy</b> for 2028</li> <li>• Announcement of the opening plan for our first <b>Renault and Dacia dealership</b> in Budapest</li> </ul>	
<p><b>2024 Január</b></p>	<p><b>2024 Február</b></p>	<p><b>2024 Március</b></p>	<p><b>2024 Május</b></p>	<p><b>2024 Július</b></p>
<p>Our main shareholder has completed a <b>capital increase of HUF 5.7 billion</b></p>		<p>We have acquired <b>SsangYong import rights</b> in four more countries</p>		<ul style="list-style-type: none"> <li>• We have completed the acquisition of <b>Stratos Auto's three BMW dealerships</b> in Czechia.</li> <li>• We will continue our fleet management activities under the brand of <b>wigo fleet</b>, and we have also established Hungary's first comprehensive mobility service provider under the wigo brand.</li> </ul>



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RESULTS OF THE FIRST HALF OF 2024

# Most significant results of the first half of 2024

OUR REVENUES WERE IN LINE WITH EXPECTATIONS AND RETAIL SALES REMAINED STRONG IN THE FIRST HALF OF THE YEAR

1

Retail Business Unit:  
Performing above market  
average

2

Successfully completed  
international retail transaction in  
Czechia

3

Distribution Business Unit: Significant one-time and base  
effects in half-year comparison. Sales have been  
continuously expanding since last autumn



25 438 units  
(2024 H1)

-0.8%

vs  
2023 H1

UNITS SOLD



HUF 195 billion  
(2024 H1)

+0.8%

vs  
2023 H1

REVENUE



HUF 9 billion  
(2024 H1)

-13.2%

vs  
2023 H1

EBITDA



HUF 6.16 Ft per share  
(2024 H1)

-64%

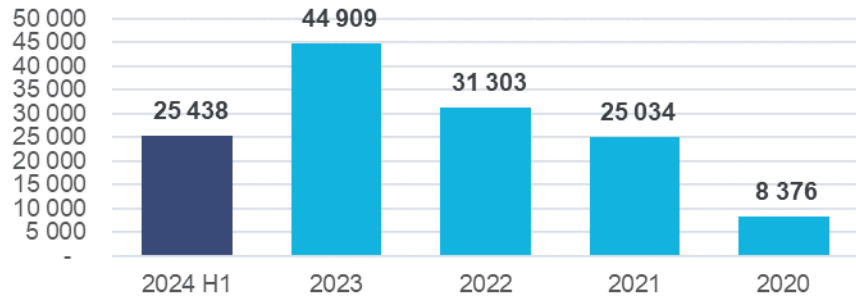
vs  
2023 H1

EPS

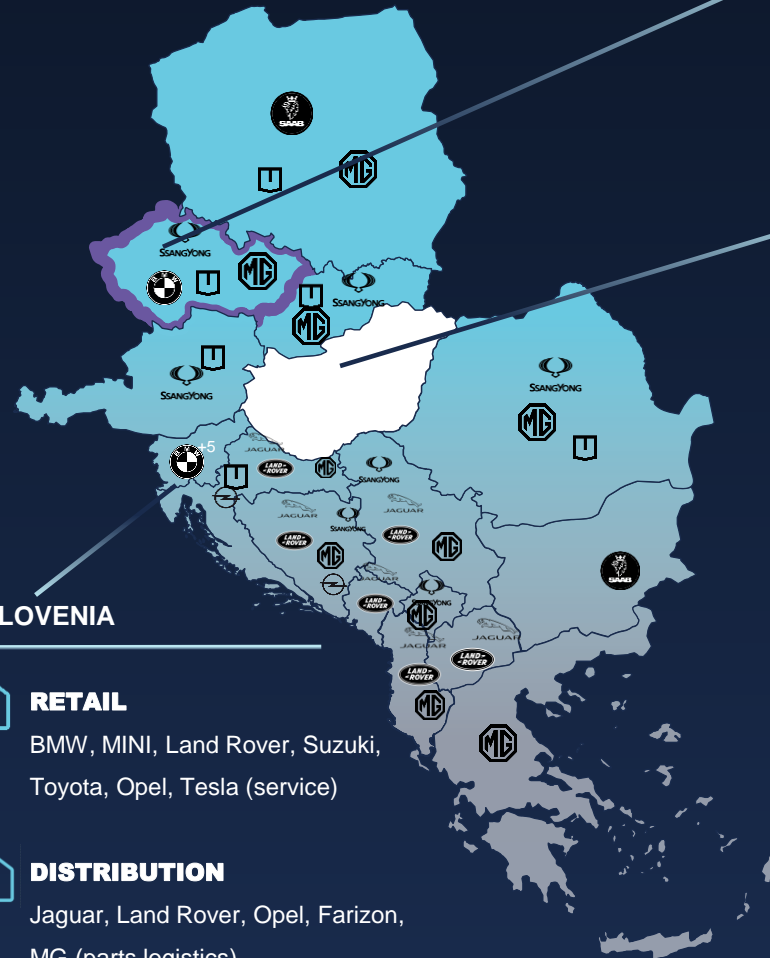
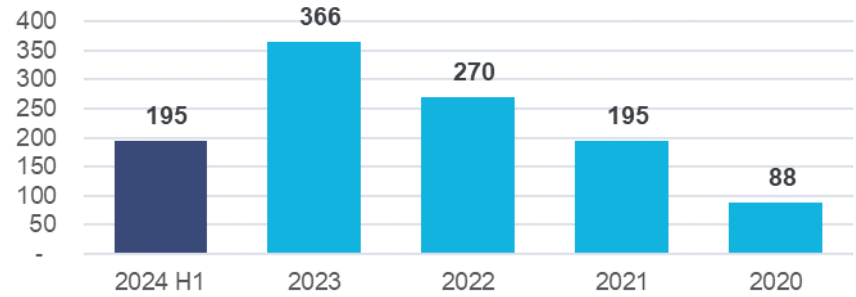
# Results, trends

## CONTINUOUS ORGANIC GROWTH REINFORCED BY TRANSACTION GROWTH

Number of vehicles sold 24H1 – 20 FY (units)



Revenue 24H1 – 20FY (HUF billion)



### CZECH REPUBLIC



#### RETAIL

BMW (from July, 2024)



#### DISTRIBUTION

SsangYong, Farizon,  
MG (parts logistics)

### HUNGARY



#### RETAIL

BMW, MINI, Motor, Maserati, Jaguar, Land Rover, Opel, Kia, Suzuki, Toyota, Renault, Dacia, Lexus, Isuzu, Nissan, Peugeot, BYD, NetMobilitás



#### DISTRIBUTION

Isuzu, Opel, SsangYong, Jaguar, Land Rover, Renault, Dacia, Alpine, Farizon, MG (parts logistics), Saab (parts), BYD (service partner)



#### MOBILITY

Sixt, wigo mobility & wigo fleet, (Fleet / Rental / Sharing)

### SLOVENIA



#### RETAIL

BMW, MINI, Land Rover, Suzuki, Toyota, Opel, Tesla (service)



#### DISTRIBUTION

Jaguar, Land Rover, Opel, Farizon, MG (parts logistics)



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MARKET UPDATES



# Our new retail market – Czech Republic

## CZECH ECONOMIC SITUATION AND OUTLOOK

GDP  
 USD 326 billion  
 GDP per capita  
 29 ezer USD

Good prospects for economic growth and inflation trends



## CZECH CAR MARKET

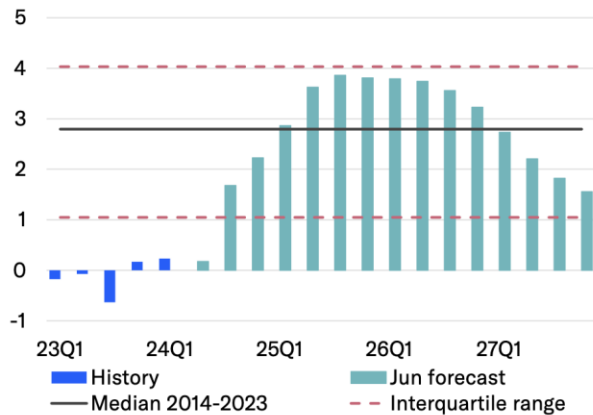
- Czech new car market: **220,000 units** (2x that of Hungary)
- Shows strong growth: between 2022 and 2023, Czech sales increased by 15%, while Hungarian sales decreased by 3.4%.



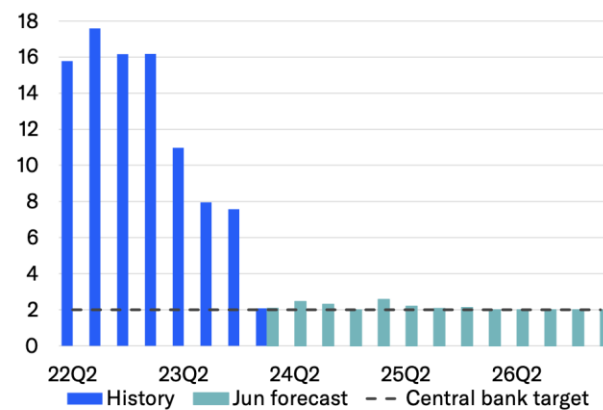
2024



Czechia: GDP, % change yr ago



Czechia: Inflation, % change yr ago



Source: Moody's

# The three acquired BMW dealerships cover 10% of BMW new car sales in the Czech Republic

## BMW SALES EFFICIENCY

Total  
BMW sales

**4,652 units**

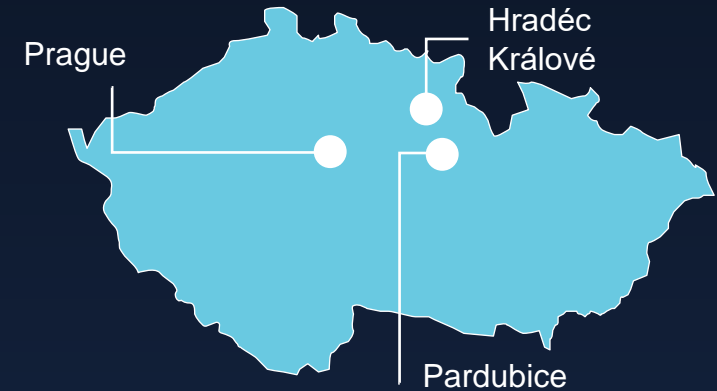


Sales per franchise point

**323 units**



Significantly higher than  
the same metric in several  
other regional markets



## CURRENT BMW FLEET AND SERVICE

- Current BMW fleet: 180,000 units
- Fleet per service point above the regional average
- Since 2018, the service network has been growing steadily year by year: increasing from 16 points to 23 by 2023.

# Chinese manufacturers will continue to gain ground in Europe - amid tightening tariffs and increasing competition

1

The market share of **Chinese-owned** carmakers in Europe reached 5% in 2023 and increased further in the first half of 2024.

2

Chinese manufacturers compete mainly in the **BEV and PHEV segments**, so their share could be a glass ceiling.

3

In these segments, Tesla and the incumbents are trying to strengthen their position, so **competition will be fierce**.

4

For cars produced outside the EU, the EC imposes an extra tariff of **17.4-37.6 percent** above the normal 10 percent.

5

With European production, a significant part (up to 25 percent) of the **cost advantage** of Chinese brands could be **lost**.

6

There will be serious **attrition** and consolidation among Chinese brands - but the winners will gain **long-term positions**.

## CHINA 2023

30 million cars produced (12% YoY)  
4.9 million cars exported (58% YoY)  
**GLOBAL: 88 MILLION (34% share)**



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GROWTH AND STRATEGIC GOALS - 2028



# Industry trends

1

## Customer focus

Omnichannel car buying, digitalisation, personalisation, changing consumer habits

2

## Technological development

Green drive chains, connectivity, on-board technologies, self-driving

3

## The workforce of the future

Green drive chains, connectivity, on-board technologies, self-driving

4

## Strict regulations

Drive chain export deadlines, emission limits, recycling targets, cybersecurity requirements

5

## Geopolitical uncertainties

Protective tariffs, geopolitical blocks and regional globalisation trends

6

## Supply chain problems

Battery raw materials, transport difficulties, high energy costs

# Internal improvements and further acquisitions are needed to exploit the full potential of industry trends

## OPPORTUNITIES FOR FURTHER GROWTH

- FURTHER MARKET CONSOLIDATION
- FURTHER REGIONAL EXPANSION
- EXPLOITING THE POTENTIAL OF THE USED CAR SEGMENT
- STRENGTHENING INNOVATIVE MOBILITY SERVICES
- EXPLOITING INTERNAL SYNERGIES AND INCREASING OPERATIONAL EFFICIENCY
- OMNICHANNEL SALES AND THE USE OF CUSTOMER DATA

## KEY ELEMENTS OF OUR STRATEGY



Further acquisitions and business development



Developing an organisation that supports growth



Exploiting group synergies and economies of scale



Developing digital skills and data assets

# Regional and business diversification for growth

The AutoWallis Group pursues an **active and selective acquisition strategy** in addition to its **organic growth and business development** efforts.

The primary objective of our international growth strategy is to acquire **significant market shares** in the countries of the Central and Eastern European region.

The intensive growth phase lasting until 2026 is expected to be followed by a normalizing growth phase in 2027.



## Distribution

Expanding existing brands into new markets

Representing emerging brands in the region



## Retail

Independent expansion in strategic brands and markets

Expansion following the wholesale business unit's expansion strategy



## Mobility services

Broadening the range of services

Expansion in the markets of our retail business

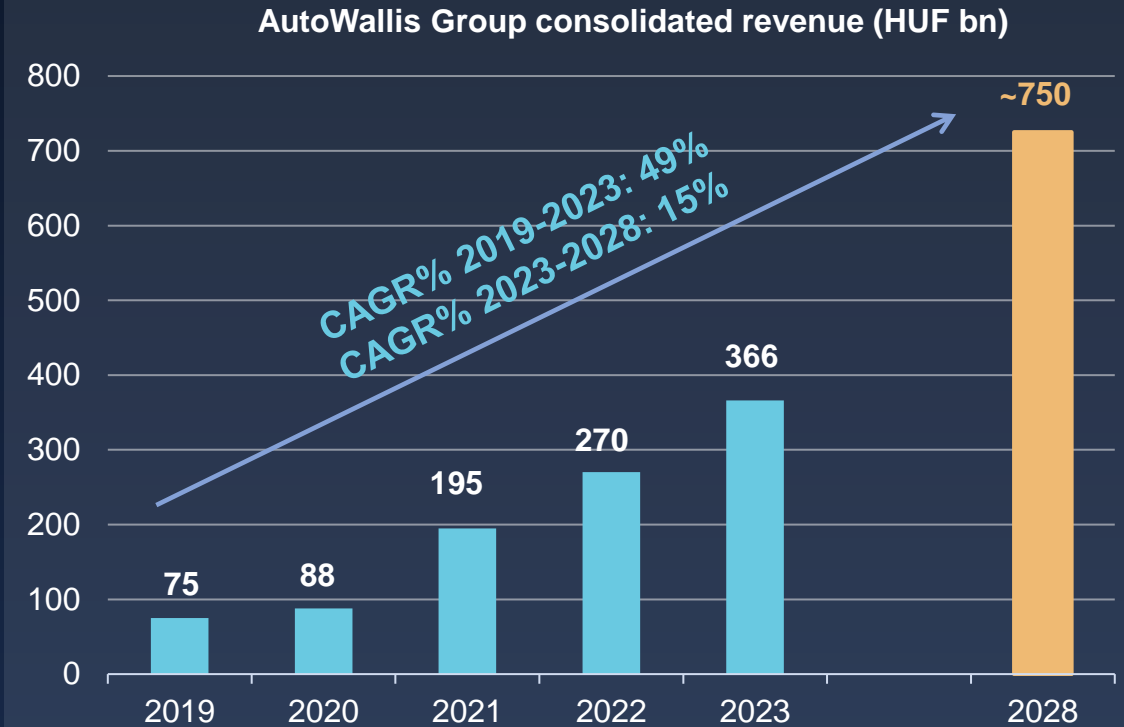
# In 2024, we expect to continue having sales figures that significantly exceed last year's, with a goal of doubling revenue by 2028

Based on its updated growth strategy plan, **AutoWallis Group** will more than double its 2023 revenue to ~ HUF 750 billion by 2028, with more than 50 percent of this coming permanently from foreign markets.

With this roadmap, the number of **vehicles sold by the group** could reach ~100 000 units.

DATA (UNITS)	2019	2020	2021	2022	2023	2028 PLAN
Retail business unit	3 044	4 395	8 533	9 129	9 966	~25 000
Distribution business unit	2 964	3 980	16 501	22 174	34 943	~75 000
<b>Total vehicle sales</b>	<b>6 008</b>	<b>8 375</b>	<b>25 034</b>	<b>31 303</b>	<b>44 909</b>	<b>~100 000</b>
Fleet size – in relation to car rental	592	425	603	877	3 979	~10 000

Source: Issuer's own data



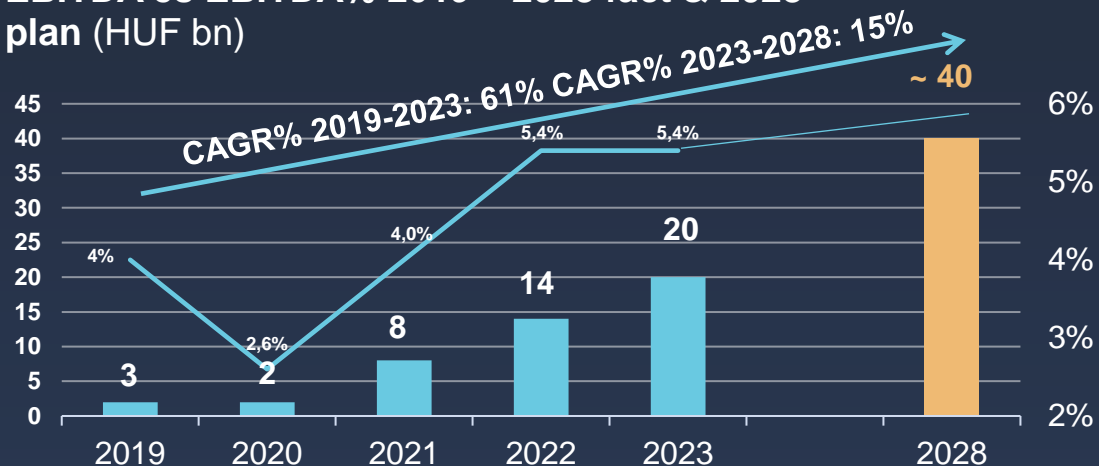
Source: issuer's IFRS annual consolidated accounts and own data;

Note: the plan figures presented exclude the figures for collaborations in the form of joint ventures.



# Doubling profit targets alongside improving operational efficiency

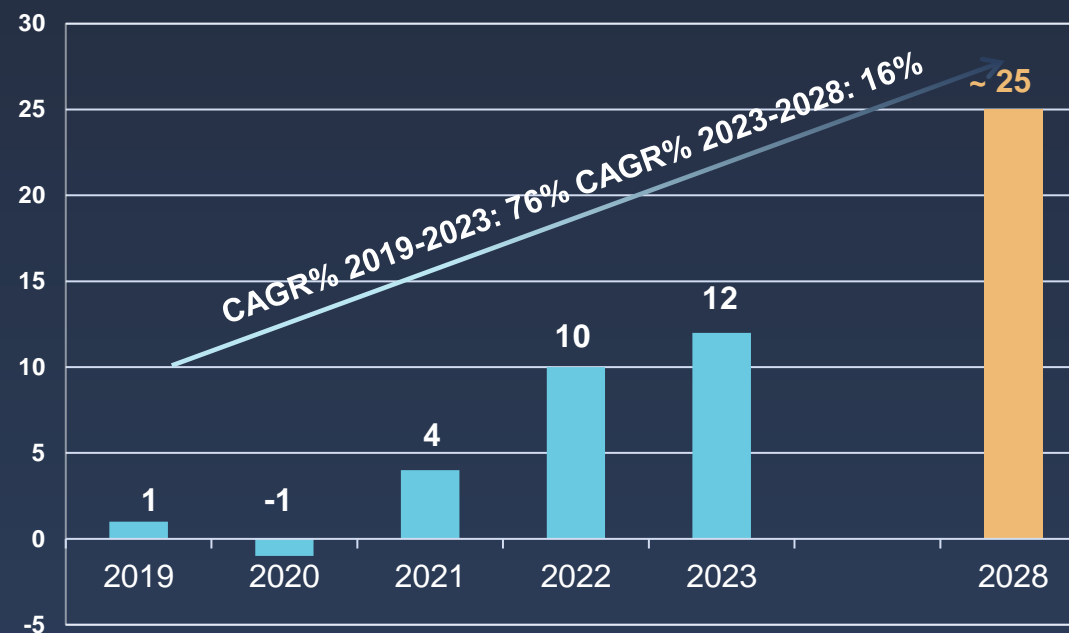
EBITDA és EBITDA% 2019 – 2023 fact & 2028 plan (HUF bn)



Source: issuer's IFRS annual consolidated accounts and own data

An **intensive growth phase until 2026** is followed by a normalising growth phase from 2027. Group **EBITDA** is expected to double in the next 5 years, reaching **HUF ~40 billion**, while **profit before tax** is expected to reach **HUF ~25 billion**.

Profit before tax 2019 – 2023 fact & 2028 plan (HUF bn)



Source: issuer's IFRS annual consolidated accounts and own data



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## CAPITAL MARKET STRATEGY

# Our strategic objectives for the capital markets until 2028

FOR THE NEXT FIVE YEARS, NEW CAPITAL MARKET OBJECTIVES AND INSTRUMENTS BECAME NECESSARY

**ESG rating**

**Transforming the green framework**, adopting EU taxonomies, new certification

**Further broadening of analytical coverage** including through the involvement of international analysts

**Possibility of issuing foreign currency and / or convertible bonds**

**Purchase of own shares to satisfy MRP**

**Broadening the range of international institutional investors**



Over the past five years, the AutoWallis Group has significantly transformed its operations, a scale and market capitalisation that puts it on the radar screen of international investors

# Dividend policy

**AFTER A PERIOD OF INTENSE GROWTH, THE DIVIDEND POLICY SHOULD BE APPROPRIATE TO THE MATURITY OF THE GROUP**

We expect a slowdown in consolidation **after 2026**

Diversification and operational improvements **by 2027** project stable growth

**No additional capital increase is foreseen in the strategic plan**

After the growth phase, **shareholder returns** are expected to be **generated through dividends** in addition to the share price

Management intends to propose predictable, long-term dividend payments from 2027



# Our plans for financing the goals outlined in the strategic plan

**OUR KEY OBJECTIVE IN OUR INTERNATIONAL GROWTH STRATEGY IS TO ACHIEVE A SIGNIFICANT MARKET SHARE IN THE COUNTRIES OF THE CENTRAL AND EASTERN EUROPEAN REGION.**

We plan to supplement our Growth Strategy with the organic development of our existing businesses, alongside two or three transactions each year until 2028.

**We do not require additional equity capital to finance our plans**

**We continue to maintain a diversified financing structure** (credit capacity has increased following the capital increase at the beginning of the year)

**The planned investment amount by 2028 is approximately 80 billion HUF**

We will primarily spend the available and planned resources on the following:

- Further strengthening our business units **through additional acquisitions**
- Further **increasing diversification**
- Supporting synergies through **operational development projects** (e.g., digitalization, multibrand developments).



# Capital market events in the last year

## SCOPE RATINGS CONFIRMATION

As a recognition of the successful growth strategy, Scope Ratings has reaffirmed the credit rating of AutoWallis Group.

## CONCORDE TARGET PRICE OF 230 HUF

In its updated model, Concorde Securities Ltd. raised AutoWallis Group's 1-month target price to 230 HUF. (07. 03. 2024.)

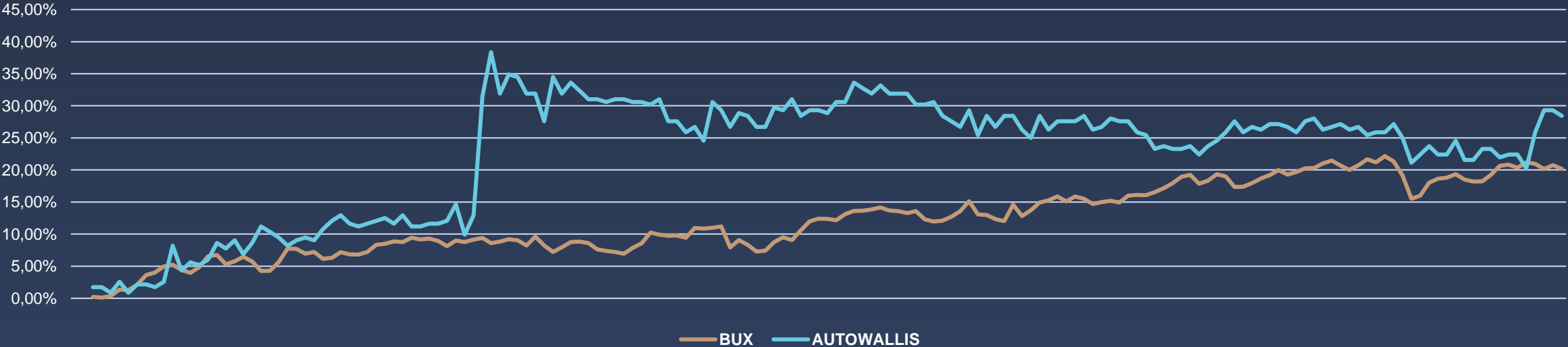
## CECE INDEX

In September 2024, we were included in the CECE regional index.

## MBH BUY RECOMMENDATION

With a 12-month target price of 223 Ft and a buy recommendation, MBH Investment Bank analysts have started tracking shares of AutoWallis Group.

AutoWallis-BUX change from months 1-8 in 2024



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# Thank you!

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